PRESS CONFERENCES

of

THE PRESIDENT

1935 -- July 1 to Dec. 31

Henry M. Kannee,
Official Reporter.

CONFIDENTIAL
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THE PRESIDENT: A beautiful day, isn't it?

Q It looks like important news there, Mr. President?

THE PRESIDENT: Awfully boring -- terribly long.

Q Do we need more than this pad?

THE PRESIDENT: No, I do not believe so. The papers won't print it anyway so it is all right.

MR. DONALDSON: All in.

THE PRESIDENT: I think the only news is a more or less routine matter in regard to the use of the 4 billion dollars. I am issuing a statement defining the types of projects to be within the jurisdiction -- this is going to be given out afterwards so you need not take it down -- within the jurisdiction of the Federal Emergency Administration of Public Works and the Works Progress Administration under the Emergency Relief Appropriation Act of 1935.

(Reading)

"According to this clarification construction projects where the aggregate cost upon completion is estimated to be more than $25,000 shall be within the jurisdiction of the Public Works Administration. The President listed a number of examples of projects of this type.

"Projects of any type where the aggregate cost upon completion is estimated to be $25,000 or less and all non-construction projects of a type designed to assure maximum employment principally to clerical, professional and white collar classes shall be within the jurisdiction of the Works Progress Administration.

"All applications involving loans for construction of public works projects shall be submitted to the Public Works Administration.

"Applications for loans and grants for public works projects defined in the President's statement as within the jurisdiction of PWA should be filed at the office of the PWA State Director in the State in which it is proposed to build the project.

"Projects for slum clearance and low-rent housing shall be carried on by the Housing Division of the Public Works Administration as heretofore."

Other projects that come under other agencies will be handled by those agencies. For instance, Army Engineers and things like that, Reclamation and so on.

On Monday we passed a number of allotments, Alabama, Georgia, Indiana and New York City, and I thought it would interest you people in getting the thing straight, so I brought down here just one of these things to show you how the work is done. There is no mystery about it. There (indicating) that whole bunch of file is Georgia -- just one state. Taking that as an example -- you could take any of the others -- the total allocation on this allocation -- mind you, this does not complete the allocation to the state; it is just the first group that went through the Allotment Board -- there are 881 separate projects that will provide direct employment at the site for approximately 22,000 persons per year. The total cost of these projects is approximately $13,500,000., of which approximately $3,250,000. will be furnished by the State of Georgia and its political subdivisions. Less than 3 per cent of the cost of the entire program will be expended for administration.

Now, those 881 separate projects -- I saw a number of silly stories that they were all going to be handled haphazardly, boondoggling, et cetera -- they are all listed and they all come to

Washington for approval, every one of them and, just so there won't be any question, I will read them. I won't read the whole 881 -- I will quit when you get tired. But just so that everybody will get it absolutely clear. (Laughter) (Reading)

"Newman, Georgia, two-room annex school" --

these are just illustrations so you will get the whole thing. Mind you, these all clear through Washington. These are 881 projects all to be cleared through Washington. This project (Newman, Georgia, two-room annex school) uses 26 man months a year at an estimated expenditure of $476. per man year. They have requested $772. for labor and $260. for materials, or a total of $1,032. and they put up $520. of their own. (Reading)

"Talbotton, Georgia, a one-room negro school, $397."

for labor and they put up $308. of their own. (Reading)

"Cochran, Georgia, a stadium for the athletic field" --

it must be a good one -- $1,065." and they put up $383. (Reading)

"Baconton, Georgia, construction of classrooms in school building, $1,062."

and they put up over $300. (Reading)

"Fort Gaines, grading the school grounds" --

Q (interposing) Give us the last page the 881st one. (Laughter)

THE PRESIDENT: (reading)

"Cumming, Georgia, erecting a three-room school building, $1,095."

and they put up $970. (Reading)

"Augusta, Georgia, a one-room school building, $953."

and they put up $1,392.

Q Mr. President, have you the Missouri list there?

THE PRESIDENT: No. (Reading)

"Hogansville, Georgia, school building for colored children, $4,100. for labor, $1,111. for materials" --

we put up $5,211. and they put up $2,675. (Reading)

"Quitman, Georgia, construction of community house, $3,069.

"Leary, Georgia, construction of waterworks, $2,948."

and they put up $4,600.

Q What is on the last page, Mr. President?

THE PRESIDENT: Wait a minute, I am half way down the first page and there are about twenty-four pages. I am half way down the first page. Have you had enough?

Q Plenty.

Q Is this Division of Applications and Information investigating each one of these applications individually as it comes in?

THE PRESIDENT: No, through the different agencies.

Q Then they just come to an agency in Washington?

THE PRESIDENT: They are all investigated and checked up by somebody.

Q Mr. President, is there any minimum which the local community, which sponsors the project, must contribute to the project?

THE PRESIDENT: No, it depends entirely on the labor cost. For instance, if the labor cost is pretty high, the community will put up more; if low, they put up less. In other words, we have to bring this within the quota for the state and the number of people. It is the same old mathematical problem.

On this particular list that has gone through, the tables show that the Federal Government is putting up $10,250,000. and

is putting 22,000 people to work, or an average of $500. cost to the Federal Government for putting a person to work.

Q What is the state's share?

THE PRESIDENT: $3,250,000.

Q Are these projects going to keep the Georgia unemployed at work for a year?

THE PRESIDENT: We expect so. Not merely this (indicating list of projects) -- there will be more. There are ten millions of Federal money -- I cannot tell you offhand what the total quota for the State is -- but the total quota will include highway projects, reclamation, soil erosion, C.C.C. Camps and all the others. But the combination of all those projects -- this flock here, plus possibly another couple of flocks of projects that will come in in the next couple of weeks, will make up the total quota for the State and put the total number of unemployed on the rolls to work. Those are now what you would call "cutting grass" projects. They are pretty useful projects.

Q Has this been approved by you?

THE PRESIDENT: Yes. I have not actually signed it but it will go in sometime today.

Q Have all those recommendations for money been approved?

THE PRESIDENT: They will be, today.

Q Are you going to do that for every state?

THE PRESIDENT: For every one.

Q How many projects are there on the first list for Alabama?

THE PRESIDENT: So far -- I have the total list here -- 172 separate projects.

Q That is Alabama?

THE PRESIDENT: Putting 22,000 people to work. The total cost of this program is $13,000,000., of which $2,800,000. will be furnished by the State and its political subdivisions. The Administration expenses will be less than 3 per cent of the entire cost of the program. Examples are as follows: (Reading)

"Construction of community center building in Mobile County, $23,000.

"Construction of swimming pool at Columbiana, $6,400."

Q We do not insist on it.

THE PRESIDENT: Oh, no, you have to get some more of it. (Reading)

"Paving of secondary roads in Jefferson County, $466,000.

"Construction of gymnasium for the Alabama College of Women, $10,635.

"Sanitary sewer construction, Piedmont, $9,000.

"Cemetery landscaping, Gadsden, $32,000.

"Tuscaloosa City School grounds, $8,800.

"Four airports in Dale County, Tuscaloosa, Decatur and Dothan, $38,000.

"Armory units for the Alabama National Guard, $97,000."

Q Have you Washington, D. C.?

THE PRESIDENT: No.

Q Any other individual list?

THE PRESIDENT: No; these are the only four sent over to me.

Q Anything on New York City?

THE PRESIDENT: I have, yes.

Q Will that be available for all states?

THE PRESIDENT: As fast as they come through.

Q There is a $25,000. limit on works projects. Does that mean the Works Progress Administration cannot take one for paving, for example, if it runs over $25,000.?

THE PRESIDENT: It if runs over that, they refer it to P.W.A. to see if P.W.A. can get the money out of the city for it.

Q What if P.W.A. does not get the money?

THE PRESIDENT: Not necessarily. That depends largely on the P.W.A., which will study the solvency of the city, the finances of the city.

Q So there won't be any projects under Hopkins' division, individually more than $25,000. each?

THE PRESIDENT: There will be quite a number if they do not conflict with the Public Works job. You had better read this Order

Q Will those three states you have mentioned be released today, the information on them?

THE PRESIDENT: I do not see why they should not be.

Q Mr. President, is it correct to assume that if the people employed on these projects choose to organize and seek charters from the unions, no objection will be raised?

THE PRESIDENT: That is a brand new one. Has anybody tried that?

Q Yes.

THE PRESIDENT: You know they do not have to work if they do not want to. That is the best answer.

Q What happens to the Division of Applications and Information under this new setup?

THE PRESIDENT: What about it?

Q It continues just the same as it has been?

THE PRESIDENT: Oh, it all comes in through them. That is to prevent any conflict.

Q And they route it to the P.W.A. or the W.P.A.?

THE PRESIDENT: Yes.

Q But the states, as a whole, come in to them under this plan?

THE PRESIDENT: Yes. For example, to give you a simple illustration, on the Fort Peck Dam, if we charge up the cost of the Fort Peck Dam to the State of Montana, they would not get any more money at all and, obviously, it would not pay them to ask. Therefore, that is a question that goes to the first division -- Frank Walker's division -- and he lets everybody down the line know. He talks it over with the other two, Mr. Ickes and Mr. Hopkins, as to what would be a fair proportion of the allotment of the Fort Peck Dam to charge to the Montana unemployment problem. If they only have 400 men (employed on the Fort Peck Dam), we would capitalize that and charge it against the Montana total.

Q In that list you had on Monday, the District of Columbia was included. Does that mean that you have not got it today?

THE PRESIDENT: Of course they just forgot to send it over to me. It is all right; you need not worry about it. It is coming.

Q How about the New York list?

THE PRESIDENT: Oh, yes; I have only the summary here. Wait a minute.

Q Senator Wheeler and some other western Senators came away from a talk with you yesterday and said that you were willing to spend a mere $100,000,000. for reclamation. Can you elaborate on that at all?

THE PRESIDENT: You had better get that from Dr. Mead of the Reclamation Service. They have a list of projects that total just about $100,000,000.

Q Does that indicate you approve the --

THE PRESIDENT: (interposing) Most of those are practicable, at least in part. Also, most of them are not new reclamation projects. The great majority are for bringing water to existing projects where the water supply is inadequate. It does not really put new land into cultivation. It is a question of bringing more water to projects which have not worked out properly and where people are still faced with the danger of drought.

Q Will those reclamation projects be handled by Ickes?

THE PRESIDENT: Oh, yes; just like the War Department ones will be handled by the War Department engineers. The regular agencies will handle the work.

Q Does that mean that Fort Peck might get more money than Montana should have?

THE PRESIDENT: Oh, yes. There are four or five national projects. The Upper Missouri is a national project. We do not allocate that to each state. We take the number of people from the abutting states that are employed on the project, capitalize it and apply it to the state quota. Does everybody understand that?

Q Could you outline the other national projects?

THE PRESIDENT: Grand Coulee, for instance, Boulder Dam, Bonneville.

Q Do you capitalize that on the basis of $1100. a man?

THE PRESIDENT: Yes, approximately.

Q Will you stop work on Quoddy because Congressman Brewster voted

against the death sentence?

THE PRESIDENT: A beautiful -- what is it? Wednesday morning? Foolish question No. 1. However, it is all right; you asked it.

Q When Mr. Walker finishes his work on the allotments to applications, will he go into the Cabinet, do you think?

THE PRESIDENT: Foolish question No. 2. You are getting good this morning.

Q Why foolish?

Q Is there anything you can tell us about the utilities legislation situation?

THE PRESIDENT: No. Did you ever read Old Caspar? Do you remember the lovely last line of that? How does it go? "'That I cannot tell,' said he, 'but it was a famous victory.'" (Laughter)

I still have to talk about New York.

Q There has been a lot of chiseling on that question.

THE PRESIDENT: The New York City program -- mind you, this is not the complete program -- it consists of 77 separate projects which will provide direct employment by the City for approximately 70,500 persons for one year. The total cost of this program is approximately 78½ million dollars, and less than 3 per cent of the cost of the program will be expended for administration.

Q How much will New York put up?

THE PRESIDENT: I have not got that on this because I did not bring the big sheets down.

Q That does not mean they are not going to put up something?

THE PRESIDENT: Put up what?

Q The State will contribute something?

THE PRESIDENT: The City? Oh, yes. I will give you some of these items.

Q Is that the State or the City?

THE PRESIDENT: I think, in this case, the City. (Reading)

"Construction of school playgrounds, $902,000.

"Development of airports, $1,625,000.

"Buildings, College of the City of New York, $764,000.

"Alterations and improvements to the main Library and branches of the New York Public Library, $249,000.

"Construction of Municipal Golf Course, $2,000,000.

"Construction of public baths, $375,000.

"Alterations and improvements in the New York Botanic Garden, $144,000.

"Rebuilding portions of the Metropolitan Museum of Art, $225,000."

Those are all I have down. You can have the whole thing.

Q Each of those items is over $25,000., still it does not come under P.W.A.?

THE PRESIDENT: They are all passed on by P.W.A.

Q Do you care to comment on the so-called compromise T.V.A. bill, due to come up on Monday?

THE PRESIDENT: I do not know what condition it is in.

Q Can you give any further details on your rural road program?

THE PRESIDENT: I do not think there is any more news besides what you got. I think you can say this, that we hope to use -- not the 25 per cent on rural roads, which was in the Act, but we hope to get it up as high as 37½ per cent.

Q Any talk about the establishment of a Rural Road Authority?

THE PRESIDENT: I do not think on that basis. Probably an advisory committee or something like that.

Q Isn't that quotation from Old Caspar from the Battle of Blenheim?

THE PRESIDENT: That is just what it is.

Q Wordsworth. [Southey]

Q Can you tell us what this announcement means from the Federal Trade on the resumption of trade practice conferences?

THE PRESIDENT: They go ahead with what has been done in the past.

Q What did N.R.A. do under that setup? Voluntary codes?

THE PRESIDENT: I think they will do the preliminary work and then turn it over to the Federal Trade Commission.

Q They will not be N.R.A. voluntary codes but Federal Trade Commission agreements?

THE PRESIDENT: Yes.

Q What happens to your labor and hours provisions there?

THE PRESIDENT: That is up to the Federal Trade Commission. If wages and hours are in the voluntary codes, they will be presented to the Federal Trade to say whether it is a violation of the Sherman Antitrust Law. If it is not, they will tell them so. They put it in the negative.

Q Then the N.R.A. codes are out?

THE PRESIDENT: Yes, except for assistance to the Federal Trade Commission in getting the data up for them.

Q What happens to the voluntary codes under the N.R.A.?

THE PRESIDENT: I do not think there has been any.

Q Mr. O'Neill (Acting Administrator of the N.R.A.) thought his organization would take over the wages and hours.

Q And child labor?

THE PRESIDENT: They have no intervening power. As information gathering, yes.

Q And then turn it over to Federal Trade?

THE PRESIDENT: Of course they are obtaining complete information on labor and hours and national standards. My pile of those reports is now three feet high.

Q What does it show?

THE PRESIDENT: It shows a lot of things. That is another story.

Q Mr. President, do you consider the nine-foot channel on the Upper Mississippi a national project?

THE PRESIDENT: Yes, and the Missouri too.

Q In connection with the tax program, there are some suggestions for going below the million dollar level and increasing rates in the lower brackets. Anything you can say on that?

THE PRESIDENT: I do not know a thing about it.

Q How about the Wisconsin plan?

THE PRESIDENT: We do not know yet. I will know in a day or two. We will probably use, in large part, the projects which were suggested by the old Commission which Governor Schmedeman started and which reported just before he went out of office and which Governor La Follette then took over and did a certain amount of revision on and had planned to adopt if he had been able to get his legislation through. That, undoubtedly, will be the basis of our Wisconsin plan.

Q Will the State get the same amount of money it would have had under the other arrangement?

THE PRESIDENT: I do not know.

Q Has a state plan been worked out for the grade crossing elimination work? Has that been planned so it can be started soon?

THE PRESIDENT: I do not know; I have not talked to MacDonald about it at all. All I know is that they are going right at it.

Q Does your early employment estimate, to reach the peak in November, still hold good?

THE PRESIDENT: Yes.

Q What are your plans for tomorrow?

THE PRESIDENT: I do not know. It is so crowded on the roads that I will probably stay home.

Q Thank you, Mr. President.

Q You said 37½ per cent in connection with rural roads. Is that 37½ per cent of $800,000,000.?

THE PRESIDENT: No, be careful. I think it is 37½ per cent of $600,000,000.

Q Can we quote you on those words?

THE PRESIDENT: I think so. There might be something subtle in that.

Q Mr. President, I forgot to ask while here: Have you any comment on the suits being brought against A.A.A. on the processing taxes?

THE PRESIDENT: What good will it do?

Q May I ask about the trip to California?

THE PRESIDENT: I still hope to go. I have not changed one bit. It is still on the calendar but without a date assigned to it.

CONFIDENTIAL
Press Conference #218,
Executive Offices of the White House,
July 5, 1935, 4.00 P.M.

Q Your poetic quotation got a good play the other day.

THE PRESIDENT: Even had Brother Brown looking up his quotations.

Q I think Steve (Mr. Early) looks good.

THE PRESIDENT: I asked him how he came out.

Q We did, but he would not tell us.

THE PRESIDENT: He would not tell me, so I fear the worst.

Q Mac (Mr. McIntyre) has been cleaning up out at Burning Tree.

THE PRESIDENT: Yes, he shot 112 and has been cleaning up. You did not know -- I knew that.

MR. EARLY: I suspected it.

THE PRESIDENT: Imagine shooting 112 and cleaning up.

Q Why? Didn't they play the other nine?

THE PRESIDENT: Yes.

MR. DONALDSON: All in.

THE PRESIDENT: We were talking about Mac's (Mr. McIntyre) golf game, that is all.

I haven't any news except that I looked at the fireworks last night.

Q You had a good view of them?

THE PRESIDENT: Yes, very good.

Q Mr. President, do you care to comment on the telegram which you are said to have received from Louisiana -- the senior Senator sent it?

MR. McINTYRE: I don't think he has seen it. It has to do with a State

legislative matter and requested your endorsement.

THE PRESIDENT: That was what I read in the paper. Of course I do not endorse state legislative matters.

Q London reports state that Ethiopia is about to send us a message requesting cooperative action to prevent war in Ethiopia. In 1933, in Geneva, Davis (Norman Davis) made the conditional offer, an offer of our conditional willingness to refrain from any action which might tend to deter the collective efforts of other powers against the aggressor. Do you care to comment on that?

THE PRESIDENT: Senator Young suggests you sing it. (Laughter)

Q No, sir.

THE PRESIDENT: That sounds like a typical diplomatic message. I talked with the Secretary of State and they are going to have an announcement this afternoon.

Q We are going to have it?

THE PRESIDENT: It is coming out this afternoon. I think it is very clear and simple.

Q What does it say? (Laughter)

Q Does it constitute a reply?

THE PRESIDENT: Yes.

Q Mr. President, would you care to tell us anything about the Georgia highway situation -- any new developments?

THE PRESIDENT: I have not heard anything on that the last two days. I think they are still conferring about it.

Q Mr. President, have you picked any Labor Board members?

THE PRESIDENT: No, I have not done anything about that appointment. I have not even talked to anybody.

Q Mr. President, can you tell us anything further about the tax conference you had yesterday with Chairman Doughton and the members of the Subcommittee?

THE PRESIDENT: No, nothing more than they said when they left. Some of the reports were substantially correct as printed.

Q (Mr. Stephenson) The A.P. Story? (Laughter)

Q Can you tell us about your conversation with Senator Fletcher? Did it deal with the Banking Bill?

THE PRESIDENT: Yes, I talked with him first about a Forest Credit Bill which we are studying and which I am very much in favor of in principle. In other words, it relates to the extension to forest crops of the same principles that we have used in the case of farm crops. The general thought is this, that if the owner of commercial forest land is willing to conform to the general theory of cutting only so much of his crop as will be the equivalent of the maturing crop on another part of his acreage, that in such a case he would be entitled to a Federal credit just like private businesses or railroads or farms, under certain well-defined conditions.

It seems to be a very excellent thing and would, as a general proposition, be of great service to the smaller and medium-sized company. We have found among the medium-sized lumber companies a very great desire to cooperate with the Government and a great many of their operations are being conducted on an annual crop basis.

Most of the trouble has come from either the very small man who goes in and buys stumpage and conducts just one operation over a few months regardless of the consequences, or on the part of

very large companies which have not adopted forestry methods.

This is merely a step to try to make lumber an annual crop with the assurance that in 25 years or a generation from now we will have as much maturing lumber or more maturing lumber than we have today.

The other thing that Senator Fletcher and I talked about, from a general point of view, was that on this Banking Bill -- I haven't seen a print of it, in fact I don't think it has been printed yet; he didn't have one and therefore we could not go over the language of that part of the bill, that section that relates to allowing banks in the Federal Reserve System to engage in the underwriting of securities --

The Senator said he thought the only permission should be to underwrite a certain percentage of securities on the basis of selling them only in the open market. But, as we, neither of us, had the language before us we could not go into the details.

Of course it is fair to say that two years ago all of us, including Senator Fletcher and Senator Glass, believed, in view of very serious abuses in previous years, that commercial banking ought to be separated from underwriting or selling of securities, either one. Since that time -- incidentally there was a very large banking support for that, as you know, and since that time there have been various efforts made to have that law weakened by allowing underwriting without allowing sales but always, when you came to analyzing it, you had to give the bank some kind of a right to make a sale.

Now, how can you safeguard on the sale of an underwriting

which goes sour, which does not go through, and the bank is left with the bonds? I don't know. I never had a satisfactory method explained to me.

For example, just a simple illustration: A bank, let us say, acts as trustee for, let us say, 5,000 people. As trustee, the bank has the right to buy and sell securities with the assets of those 5,000 people. Under the old dispensation, a great many banks would underwrite security issues and then if, at the time of the public offering of those issues, the public did not take them all, the bank was left with bonds which it could not sell on its shelves and thereupon, in order to get rid of them, they would turn those bonds they couldn't sell to the public, they would turn them over to trust funds for which the bank was trustee. Of course it was a thoroughly not only unsound but very close to being a dishonest practice, certainly not ethical to say the least. If any issue went sour, the temptation was too great to get rid of the sour bonds and turn them over to the unfortunate people for whom the bank was trustee.

As I say, I have not read this new language but if it permits in any way the sale of securities which the bank has underwritten and has been unable to sell to the general public when offered, if it permits them in any way to get around the present prohibition, then it is going back completely on the principle that we all adopted two years ago. That is about the long and short of it.

Q One more question: Did you discuss with the Senator the question of liability of banks as underwriters? Of course, you know, as the bill came out they have an equal liability and they ask whether

the banks could privately be made the subject of lawsuits and the like. It is probably the most complicated question in the bill.

THE PRESIDENT: I do not know; we did not discuss that at all.

Q You are not certain whether you want this strengthened or not?

THE PRESIDENT: I do not know because I have not seen the printed copy.

Q Mr. President, is it the intention to have this Forest Credit Bill passed at this session?

THE PRESIDENT: Probably not, although it is a very desirable thing to do.

Q Where would the administration of that thing be?

THE PRESIDENT: In the Department of Agriculture.

Q On taxes, was there any discussion yesterday or has there been any decision on whether to go into the middle brackets on the increased rates?

THE PRESIDENT: No decisions of any kind. You might strengthen what was said yesterday and carried by most of the papers. The A.P. was all right.

Q (Mr. Stephenson) That is what I meant.

THE PRESIDENT: The Subcommittee that was down merely asked the Treasury to send somebody up there to give them various kinds of tables based on all kinds of schedules and brackets, that is all. So, at the request of the Subcommittee, the Treasury people will submit all kinds of tables for the information solely of the Subcommittee, solely for the information of the Subcommittee and nothing else.

Q Have you replied to the invitation of the Confederate Union for September?

THE PRESIDENT: Only verbally, that I had no idea where I would be in September. I cannot say anything more than that at this time.

Q You have not made any plans then for this summer?

THE PRESIDENT: No.

Q Any plans for tomorrow and the week end?

THE PRESIDENT: Only that I would go over to Annapolis and get aboard the SEQUOIA and spend the night and come back Sunday afternoon late. We will put the lid on until Monday morning.

Q Will you return to Annapolis?

THE PRESIDENT: I do not know where I will land. I can never tell. It will depend on where the fish are running.

Q Do you still plan to go to the West Coast?

THE PRESIDENT: Yes.

Q Did you see the petitions on the Camden shipbuilding strike?

THE PRESIDENT: No, I have not.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #219,
Executive Offices of the White House,
July 10, 1935, 10.50 A.M.

THE PRESIDENT: You know those suits we got down in Puerto Rico last year and we thought they were so lovely? I wore one last night. They are the heaviest things, as heavy as a winter suit. Did you get any down there?

Q I got one but threw it overboard when coming into Eastport. I got it full of paint and grease and everything else.

Q Mr. President, are you contemplating any steps toward the removal of Judge Wilson of the Virgin Islands?

THE PRESIDENT: I do not know; I have not followed it at all lately.

Q On silver purchasing, does the goal of a dollar and twenty-nine cents still hold?

THE PRESIDENT: We are trying to conform with the command in good faith.

Q I understand a number of New York up-State Congressmen have recommended that a survey be made of the damage and help given, if possible. Would you care to comment on that?

THE PRESIDENT: I think the only thing -- and that has been printed this morning -- we have the Red Cross up there, the Department of Agriculture up there -- I do not know whether the Public Health Service is there or not. I wired the Governor yesterday offering all Federal facilities. I imagine that at least the Red Cross and the Department of Agriculture are actually there and on the job.

MR. EARLY: There are three Army planes there surveying.

THE PRESIDENT: Three Army planes are surveying. It is a little early

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to get accurate data because the water has not subsided yet.

Q Mr. President, the officers of the Knights of Columbus, Mr. Martin Carmody and Mr. D. J. Callaghan, were here the other day about the Mexican situation. Is there anything you can tell us to add to that?

THE PRESIDENT: I do not think anything else besides what the State Department has said.

Q What is that?

THE PRESIDENT: I cannot tell you the exact things they have said. It ought to come from them.

Q Is there to be some reorganization of the housing activities of the Government?

THE PRESIDENT: Not that I know of. Of course, on H.O.L.C., as you know, the applications have ended -- what is the date?

Q June twenty-seventh.

THE PRESIDENT: Now, that means of course, that there will be a cutting down on the activities after the applications have finished coming in and they have finished examining them.

Q Mr. President, I read by the morning papers that you are supposed to be having a little bad health. How do you feel?

THE PRESIDENT: What do you think, Stevie (Mr. Stephenson)?

Q (Mr. Stephenson) You look O.K. from here.

THE PRESIDENT: You ought to be a pretty good judge. It is all right.

Q Anything you can say about the reciprocal trade agreement with Canada?

THE PRESIDENT: I do not know how far they got -- I really don't know. They have finished the hearings?

Q I believe they have.

Q Mr. President, do you approve the rules and regulations for the National Highways program?

THE PRESIDENT: I have them in my basket. I did not do it last night because of the weekly conference. I will do that today.

Q Mr. President, we cannot hear the answers to the questions.

THE PRESIDENT: That last one was about the Highways regulations. It came over yesterday from the Attorney General and it is at the top of the basket. I will get to that today.

Q What can you tell us about last night's conference?

THE PRESIDENT: Nothing more than they told you. A very nice party.

Q Are you planning a series of speeches in different parts of the country after Congress adjourns?

THE PRESIDENT: No.

Q Has there been any decision --

THE PRESIDENT: (interposing) Of course you know the background -- the perfectly simple thing that I do occasionally. I go across the continent on a trip and when I do I generally make speeches at some kind of celebration like Boulder Dam, just like last year. I made, I think, coming back, one political speech last year and that was at Green Bay. Everybody had plenty of notice of it.

Q And it was plenty hot.

THE PRESIDENT: It sure was.

Q The American Legion will be in session early in September in St. Louis. Do you expect to stop over there?

THE PRESIDENT: I have absolutely no plans at all.

Q You do not know whether you will speak in Milwaukee at the Young

Democrats?

THE PRESIDENT: No. I suppose there are a dozen people who have come in to ask me to go here and there and I said that I would like to go if I can but I have no idea whether I can or not.

Q Have you made any decision on the cotton loans which expire August first?

THE PRESIDENT: Not yet. There won't be any news on that for a while.

Q Mr. President, did you have an opportunity to look at the language of the Banking Bill in regard to the underwriting feature?

THE PRESIDENT: No; I am having a conference on that, I think it is tomorrow -- Thursday. That does not come up until Friday, does it?

Q They are in doubt.

Q Who will be in that conference, please?

THE PRESIDENT: I do not know yet.

I do not believe there is any news; everything is very quiet.

Q We will dispose of this (indicating his notes) in very short order.

THE PRESIDENT: Yes.

Q Would you say if there has been anything in regard to the St. Lawrence Treaty?

THE PRESIDENT: You know just as much about it as I do. It was rejected, as you know. There have not been any conversations about it at all. I do not think there have been any conversations about it the last two or three months.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #220,
Executive Offices of the White House,
July 12, 1935, 4.05 P.M.

MR. DONALDSON: All in.

THE PRESIDENT: I think tomorrow I will go over to Jefferson Island, about noon, and we will put the lid on and I will come back sometime Sunday evening, to see if there is any more news.

Q Are you spending the night there, sir?

THE PRESIDENT: Yes.

Q At the Club?

THE PRESIDENT: Yes.

Q Are you going to fish, Mr. President?

THE PRESIDENT: I hope so.

Q Mr. President, is the bus bill one of the bills you would like to see enacted at this session?

THE PRESIDENT: I think it would be an excellent thing if we could get that tied in. But don't use "must" legislation; that is stupid, unimaginative and a few other adjectives which I won't use.

Q Can you offer a substitute?

THE PRESIDENT: "Desirable" legislation -- that is a good word.

Q Mr. President, you have been represented in some newspapers as not favoring Triple A amendments?

THE PRESIDENT: I have to apologize for the papers; that is all I can do.

Q Mr. President, how about the regulations in highway construction, grade crossing elimination?

THE PRESIDENT: I do not know where they are. I think they are on the

way over here from the Attorney General at the present moment. They are all right; they are going to be signed.

Q Mr. President, did you offer Pecora the counselship for the telephone investigation?

THE PRESIDENT: No, I have not offered it to anybody.

Q What is the situation with respect to the Virgin Islands?

THE PRESIDENT: The situation, so far as this room is concerned, is that there is no news.

Q Do you expect to be in a position soon to appoint that new Labor Board?

THE PRESIDENT: I have been talking to Perkins (Secretary of Labor) about it today, just going over the general list of names. I suppose within the next week there will be something about it.

Q Can you tell us anything about your talk with Senator Glass?

THE PRESIDENT: No, I guess I had better not. (Laughter)

Q Can you tell us anything --

THE PRESIDENT: We did talk about one phase which we went into rather exhaustively and that is the question of underwriting of securities by banks. I told him what I think I said here before, that, speaking as a lawyer, I think it is practically impossible to draw language which would allow banks to do certain types of underwriting and at the same time be absolutely certain that they would not go back to the old practice of selling securities to their trust funds or their neighbors' trust funds. In other words, if I were a certain type of lawyer, I am pretty sure I could get around any safeguarding language, therefore it is not safe to do it at all and it is much better to cut it out.

Q Mr. President can you tell us whether we have any new leads in mind regarding the Ethiopian situation?

THE PRESIDENT: No, not any more than the Secretary of State gave you yesterday.

Q Can you tell us anything about your conference with Senator Copeland this morning on the shipping bill?

THE PRESIDENT: Very, very little except generalization. You probably know that I do not like the shipping bill in its present form for a good many reasons, and I asked Senator Black to come down and talk it over with Judge Bland and Senator Copeland, and we just talked about a few of the high spots; we did not have time to go into detail, but I have asked Secretary Roper to ask one or two people from Commerce and also the Post Office Department to go up and talk the bill over with Senator Copeland and Senator Black and see if it is possible to work out some kind of an amended bill which will go through without taking too long.

Q Did you discuss the Marine Bill in connection with that?

THE PRESIDENT: No.

Q Mr. President, the papers this morning had quite a piece in about Chambers of Commerce and Boards of Trade engineering a nation-wide drive against your tax program. Is there anything you would like to say about that? We have heard your thoughts about Chambers of Commerce and Boards of Trade before and we thought it might make pretty good news?

THE PRESIDENT: The action speaks for itself.

Q Can you tell us anything about your talk with Senator Nye today?

THE PRESIDENT: I have forgotten what we talked about.

Q Profits in war?

THE PRESIDENT: Oh, yes; he asked me if I would get in touch with -- who is it in the House that has got it?

Q McSwain (Representative John J. McSwain, of Minnesota)?

THE PRESIDENT: I don't know -- (examining papers on desk) I am just looking to see if I can find the slip. I have a memorandum here somewhere. I told him I would speak to -- I know -- Senator Harrison, to ask him if his Subcommittee, of which Senator Barkley is Chairman, could please take some action on it. As I understand it, that is the McSwain Bill that came over from the House but has been amended by the Senate. So the next thing to do is to speak to Senator Harrison and Senator Barkley about it.

Q Do you want that legislation this session, if possible?

THE PRESIDENT: I have not seen the bill since the amendment, so I could not pass on it. The general objective, of course, of the legislation, to take profits out of war, is right.

Q Did you see the so-called Nye Bill, the Senate Bill, which is virtually the tax bill alone?

THE PRESIDENT: No; I am not familiar enough with it to say that the present language is all right. I know the purpose is all right.

Q Is it going to be the practice of the Government to approve the Public Works projects state by state?

THE PRESIDENT: I should say, roughly, yes. Of course there may be exceptions.

Q Do you have any idea when those for New York State, outside of New York City, will be made available?

THE PRESIDENT: I do not know at all.

Q Do you know whether they are in such shape --

THE PRESIDENT: (interposing) I do not know.

Q I noticed by the statement yesterday that New York City had received $75,000,000. Some of the other cities --

THE PRESIDENT: (interposing) I do not know what the up-State situation is. Ask Harry (Mr. Hopkins); he would know.

Q Have you passed on the Ohio setup on projects?

THE PRESIDENT: I do not know. I have not had any reports at all since two weeks ago when we talked about the four states. It has not come over here.

Q Can you tell us why the Senate investigation of the Virgin Islands was recessed yesterday?

THE PRESIDENT: I can only tell you, off the record, if you will not bring me into it, the way I would write the story -- this is off the record, mind you -- I would write it this way: that sometimes in very, very hot weather it is a good thing to put things in cold storage for a week. (Laughter) Do not credit that to me.

Q That is too hot for the record.

Q Can we take it that you are unalterably opposed to the underwriting features of the bill.

THE PRESIDENT: I think that is a pretty good guess.

Q Thank you.

Q The lid is on after noon tomorrow?

THE PRESIDENT: Yes.

Q What is this? (Indicating an object on the President's desk)

THE PRESIDENT: That is the new Blue Eagle. It just came out of an egg and we do not know who laid the egg. (Laughter)

CONFIDENTIAL
Press Conference #221,
Executive Offices of the White House,
July 17, 1935, 10.30 A.M.

THE PRESIDENT: (in an undertone) Have you seen Mac's (Mr. McIntyre) red tie?

Q (Mr. Young) Not yet.

THE PRESIDENT: (in an undertone) Get after him about it.

Q (Mr. Storm) One flight up saves you money, Mac.

Q (Mr. Young) Did you lose a bet, Mac?

THE PRESIDENT: I started on him at 8.30 this morning.

Q You are ready to march with Lew Dockstadter, Mac.

THE PRESIDENT: He has just taken on that collar ad, "What the well-dressed man will wear." Isn't it in the theatre programs?

Q He insists on wearing it.

THE PRESIDENT: Yes, he does.

Q (Mr. Storm) Pretty snappy, Marvin.

Q Is that the Puerto Rico suit?

THE PRESIDENT: No, this is made out of goats' hair. It is recommended by the Vice President.

Q Pretty nice.

THE PRESIDENT: Very nice.

MR. DONALDSON: All in.

THE PRESIDENT: Too bad you people in the back row cannot see the sartorial effects of the White House staff. We are having great fun up here.

I don't know a thing.

Q Neither do we.

Q Mr. President, do you want the tax bill passed this session?

THE PRESIDENT: I recommended it.

Q That means before adjournment, of course. Have you discussed that with the leaders recently?

THE PRESIDENT: Not especially.

Q We cannot hear the questions back here.

THE PRESIDENT: Talk louder, Stevie (Mr. Stephenson).

Q (Mr. Stephenson) I am sorry. (Laughter) Read the A.P. report.

THE PRESIDENT: He said he is sorry.

Q Mr. President, have you discussed adjournment recently with any of the leaders of Congress?

THE PRESIDENT: No. Of course, on adjournment, I go back to the days when I first began trying cases in New York in trying to think of an analogy to the propaganda that is going on at the present time. It is just another form which any defense lawyer, if it were a law case, would recommend.

If a very rich person or a millionaire newspaper owner wanted to get out of the high inheritance tax or the high income tax, I suppose he would consult one of those $150,000. counsel in New York City, who would probably advise him to apply the old legal rule on the trial of a case. If you represent a defendant where there is no defense at all or a mighty poor defense, when you get to court the first motion, "I move that this case go over to the next term." (Laughter) And then the next motion is to declare a mistrial because of the hot weather or something like that.

Of course, where the plaintiff has a good case, the rule at the bar is that he presses his case and the rule at the bar is

that the defendant with no case at all, or a very weak case, does everything in his power to stall and delay the actual joinder of issue.

That is actually what you and I know is going on in Washington to a very large extent today. The defendant's lawyers, who are not all lawyers, by the way, are applying the old rule. "If it please the court, I move that the trial of this case, in which I have a rotten defense, go over to the next term of court." That is about the whole situation on the Hill.

Q Mr. President, have you anything to say with regard to any possible changes in the Administration's foreign trade program?

THE PRESIDENT: What program?

Q Foreign trade program.

THE PRESIDENT: What about it, specifically?

Q There have been a number of things said in Congress because of tariff reduction in recent treaties.

THE PRESIDENT: You will have to be more specific than that.

Q Senator McCarran of Nevada, particularly on the Russian and Brazilian treaties, because of the manganese.

THE PRESIDENT: How many people are employed in this country in the manganese industry?

Q The State Department says 354.

THE PRESIDENT: The State Department says 354 and Senator McCarran says three or four thousand.

Of course the general principle, taking manganese, is this: If we were to produce all the manganese we use in steel, in the mills in the country, alloys of various kinds, and keep foreign

manganese out, it would mean that the cost of steel for use in building materials, and so forth and so on, would be tremendously increased. It might put a few thousand people to work but the cost to the country would be ten times, twenty times, fifty times more than the earnings of those people who are put to work.

As a matter of fact, the manganese deposits in this country, as we all know since the war days, are pretty slim. They are very small, scattered, and some of them of very, very low grade ore. It seems to be the economic theory that if we import manganese from the outside it will put more, infinitely more people to work in this country than putting a high tariff on manganese. I don't think it will throw 354 workmen out of business but, even if we should, the increased purchasing power of foreign countries would put ten times that number of Americans to work. That is the simple theory on manganese. It will increase employment in this country through the Brazilian Treaty and Russian Agreement without any question at all by giving them a much larger purchasing power.

Q Mr. President, the freedom of the press seems to be in danger again?

THE PRESIDENT: What?

Q Mr. President, the freedom of the press seems to be in danger again?

THE PRESIDENT: Where?

Q It looks like assault and not seduction this time.

THE PRESIDENT: What?

Q The Tydings-McCormack Bill, I think it is, which would put a fellow in jail two years if he said or wrote anything which would tend to dissatisfy a soldier or sailor.

THE PRESIDENT: I don't know about it.

Q It passed the Senate on June twenty-fourth without debate and was favorably reported to the House.

THE PRESIDENT: I do not know about it at all.

Q Have you discussed the Toledo industrial peace plan with Secretary Perkins?

THE PRESIDENT: No.

Q Mr. President, have you signed the allotments for Michigan and Ohio and other states recommended yesterday by the Work Allotments Board?

THE PRESIDENT: No. I suppose they will be in the mail this afternoon. You mean the action we took yesterday?

Q Yes.

Q Have you taken any steps toward appointing the National Labor Relations Board?

THE PRESIDENT: Not yet; very soon, I hope.

Q In that connection would you be good enough to comment, if possible, on the persistent report that Leo Wolman is being considered?

THE PRESIDENT: I have not taken it up. I have got them still in the basket. I suppose there are fifty names; I do not know who they are.

Q Will you comment on the A.A.A. decision in Boston?

THE PRESIDENT: No. Keep right on going.

Q With regard to the Wagner Labor Law, is it planned to have the Petroleum Labor Board and other boards administer that law for their respective industries?

THE PRESIDENT: I do not know. I have not heard that phase of it at all. I will check on it and find out.

Q You mentioned it in your Press Conference in connection with the N.R.A. decision?

THE PRESIDENT: How does the Petroleum Board come in on the Wagner Bill?

Q It was set up to handle labor relations, like the Textile Board.

THE PRESIDENT: I will have to find out.

Q It would be in the same boat with the Textile Labor Relations Board.

Q Mr. President, have you evolved any policy with regard to works allotments in Louisiana? (Laughter) You had a conference with a delegation in regard to it?

THE PRESIDENT: Why, I think the Works Progress part of it is coming along all right. I think the only question at issue at the present time is the question of P.W.A. loans and grants on account of that State law because, of course, obviously, Federal funds have to be expended under Federal jurisdiction. So, there is a very difficult situation there. We cannot go ahead unless we can supervise the expenditure of our own money.

(Mr. Early asked the President to indicate what he meant with respect to the A.A.A. decision.)

On that Triple A thing, keep on going, of course, until the decision of the Supreme Court.

Q Yes, but I thought under the decision held in that jurisdiction -- can you collect them in that jurisdiction, do you know?

THE PRESIDENT: I do not know. I do not believe we can but you had better check with the Attorney General on that. I am not clear.

Q Do you desire the passage of the three-A amendments this session?

THE PRESIDENT: I think it would be a good thing if they went through. I recommended them, I do not think by Message but verbally -- the

general objective.

Q On the foreign trade, again. Senator McCarran has suggested that the Reciprocal Tariff Act be so amended as to prevent the extension of these trade benefits to any countries except those that give us most-favored-nation treatment. Would you care to comment on that?

THE PRESIDENT: No, that is a sort of technical subject. These trade agreements do apply to nations who have the most-favored-nation clause in general but, at the same time, in the agreements there is a thirty-day clause which allows us to cancel on any particular article if we find that as a result of the most-favored-nation clause the imports in here amount to something we had not expected. In other words, you might say, "Dumping". Therefore we can terminate at the end of thirty days. That is the protective clause.

Q And the Senator's bill, I believe, is to prevent the extension. For example, in an American-Belgian treaty, where we reduce our tariff on cement, the present program contemplates or includes the extension of that cement tariff reduction, not only to Belgium but to all other countries.

THE PRESIDENT: It would have that effect.

Q And the Senator proposes that that be curtailed so it would be extended only to such countries as extend us most-favored-nation treatment.

THE PRESIDENT: I do not quite understand that because nations where we have most-favored-nation clauses, they give us, also, most-favored-nation treatment. I do not see exactly how it can be done.

Q He would include only such nations as do that and, at the present

time, those benefits are being extended to Japan and to Mexico and to these other nations with whom we have no most-favored-nation treatment at all.

THE PRESIDENT: That is purely a permissive thing. It can be withdrawn in the case of any nation within twenty-four hours' notice.

Q You would not be in favor, however, of any bill to limit that power?

THE PRESIDENT: I do not think it should be because, after all, each case has to stand on its own feet and it is awfully difficult to get any general piece of legislation which would be fair to everybody. The whole theory is that each one has to stand on its own feet and if, as a result, we get unexpected results from other countries, we can change it on the thirty-day clause.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #222,
Executive Offices of the White House,
July 19, 1935, 4.10 P.M.

Q Hello, Mr. President.

THE PRESIDENT: Don't you look perfectly lovely today.

Q The first summer sale, Mr. President, $15.75.

THE PRESIDENT: As much as that?

Q As much as that.

THE PRESIDENT: You go to Jack Garner and find out where he gets his suits. He buys his suits for $15.50. Why go and waste your money like that and pay $15.75 for a suit?

Q (Mr. Storm) I thought I was getting a bargain.

THE PRESIDENT: I am going to have to appoint a committee to save money for these fellows.

Q (Mr. Young) Brother McIntyre looks like Jimmy Walker.

Q Are you going to have much?

THE PRESIDENT: I haven't got a thing. I think we will put the lid on over the week end.

Q I haven't seen Steve (Mr. Early) with one of those new goat hair suits.

THE PRESIDENT: (Addressing all of the Press) We all agreed in the front row, unanimously, to put the lid on tonight and keep it on until Monday morning. There won't be any news. I am going on the SEQUOIA late tonight and coming back Sunday afternoon. I am going to do a lot of work on board, catch up with my basket. And maybe I will catch a hardhead (croaker).

Q Do you have to go down there to catch them, Mr. President? (Laughter)

THE PRESIDENT: The obvious answer is that there are so many softheads around here. (Laughter)

I do not know a thing; there isn't any news at all.

Q Have you named the members of the new Labor Board?

THE PRESIDENT: I am just beginning to work on it. I think there will be something next week.

Q Mr. President, have you had an opportunity to read Elmer's testimony before the Committee?

MR. EARLY: He is the Western Union messenger boy.

Q Elmer.

THE PRESIDENT: Pretty cute; especially where he said, "I am neutral."

He ought to go in for journalism. (Laughter)

Q At eighteen cents he would be overpaid.

THE PRESIDENT: That is right.

Q The farmers in the flood area, I understand, are terribly worried about the September rains and we are wondering if you will make any recommendation to extend soil conservation there immediately?

THE PRESIDENT: I have not heard any details on it at all.

Q Would that come from you -- from the Soil Conservation -- as an Executive Order?

THE PRESIDENT: I do not know whether they need it or not.

Q I think they do.

THE PRESIDENT: I will probably get it then. They are working on it. We want to help on a flood situation of that kind. For instance, I was talking the other day with some of the Nebraska people who had all the bottom lands on the Republican River and they have very much the same situation. The Federal Government, of course,

can help on anything that is of a semi-public character. We can go in on the road work and on flood control work and on soil erosion work. We cannot build houses for people whose houses have been washed away. We do want to do everything we possibly can along lines that come under the Federal category. Soil erosion would be in that line.

Q I think what they are interested in in this connection is filling the coulees and clearing stream channels and things like that.

THE PRESIDENT: That we can do.

Q In New York City, the recent projects announced -- criticism has been heard in some quarters of wholesale boondoggling. I wonder if you have any comment on the criticism?

THE PRESIDENT: I have not a list, so I cannot comment on it.

Q There was a horizontal and vertical survey of the Island of Manhattan. The survey --

THE PRESIDENT: (interposing) Horizontal and vertical? (Laughter)

Q A survey to determine the recreational needs of nurses and infants.

THE PRESIDENT: Who started it? The City of New York, didn't they?

Q This was the approved list that went out from here.

THE PRESIDENT: The only comment one can make is that it came to us from the local government. We did not invent these things.

Q Mr. President, do you see any limit on the power of the Government to bar suits against itself?

THE PRESIDENT: Any limit?

Q Yes, sir.

THE PRESIDENT: In other words, you want me to comment on Senator Borah's new theory that our sovereignty is different from the

sovereignty of every other people in the world, that we can be sued ad libitum and other people cannot?

Q I am just wondering whether -- of course I have got the answer right there. (Laughter)

Q It did not take a long time.

Q Mr. President, there has been a lot of talk about railroad reorganization. It looks as if the R.F.C. is going to foot the bill for most of that. I was wondering whether you had any comment to make on the reorganization of railroads with Government money, whereby the same management that put the railroad into receivership is going to be retained?

THE PRESIDENT: What specific case, for example?

Q Missouri Pacific and St. Paul.

THE PRESIDENT: On those reorganizations, we go into it just as far as we can. We have the Interstate Commerce Commission examine it, we have the Coordinator of Railroads examine it and we have Jesse Jones' organization examine it and we have done a good deal, you know. In some of the cases we have not only loaned money to them but we have improved the management. Take the New Haven Railroad: It was largely through the suggestion of people from Washington, who looked into the operating problems of the New Haven, that they were able to save about $3,000,000. this past year on their operating costs, so we do not just plainly lend them money. In every case, where we do lend that money, if we believe we can save them from going into receivership, we make every known kind of a suggestion to help them save money.

Q On the point of control, that is just it -- the Government would

not have objection, I mean, to the retention of control by the management that put the railroad into receivership?

THE PRESIDENT: It would depend entirely. For instance, in the case of the New Haven, the management showed signs of being willing to improve their operating methods. In that case we go along with them.

Q The Missouri Pacific is still operating with the Van Sweringens?

THE PRESIDENT: You mean ownership control or operating control?

Q Ownership control.

Q They have only common stock.

THE PRESIDENT: That becomes a question of how much we should insist on giving the equity holders of the railroad some continuing equity in the case of the railroad coming through and making money, or whether we should write them off the books altogether. That is, of course, primarily a matter that the court has to determine under the new reorganization law.

Q In this case, the Missouri Pacific, they are still taking orders from the Van Sweringens although the Van Sweringens, in another suit, have said that their equities are virtually nothing -- five cents on the dollar or less than that. Jesse Jones is talking with the Van Sweringens. We are wondering whether you are going to take control away from them?

THE PRESIDENT: That is a different thing. What I was talking about is where you have a wide distribution of common stock. It is not where equity has been acquired, as in the case of the Missouri Pacific, from some prior reorganization.

Q They got theirs through a holding company.

THE PRESIDENT: Yes, that is what I intimated.

Q Has anything been brought to your attention about the contemplated combination of municipalities on both sides of the Ohio River to ask Government help in preventing stream pollution?

THE PRESIDENT: No, I had not heard about it. Who is it before, the Public Health Service?

Q Mr. Ickes' department has it.

THE PRESIDENT: A plan to make it a health district?

Q I think that is the idea.

THE PRESIDENT: I have not heard about it.

Q It is to establish a system of sewers with disposal plants of various municipalities on both sides of the river.

THE PRESIDENT: Of course the more that is done, the better. Where you have a lot of contiguous communities, they ought to work together. The principle is good.

Q The House Foreign Affairs Committee reported out the Arms Export License Bill. Are you hopeful of seeing it go through this session?

THE PRESIDENT: I have not heard of it.

Q That is the bill to license the export of arms.

THE PRESIDENT: I do not know all of it.

Q The Senate Foreign Relations Committee has appointed a subcommittee to confer with the Administration on the formation of a neutrality program?

THE PRESIDENT: I think the State Department is going up there on Monday on it.

Q Could you say anything about the general study and how far it has

progressed?

THE PRESIDENT: The only way I can comment on that is off the record, if you don't mind, because it relates to foreign matters to a certain extent. The situation is this: We do want and ought to have some additional neutrality legislation but we are faced with a legislative situation at the end of the session. Therefore I said to Bill Phillips this morning -- I said, "I am perfectly willing, if we can get an agreement on neutrality legislation, so long as it does not block the adjournment of Congress. In other words, if you can get it through without waste of time after agreement, that is fine. Or, after the major pieces of legislation have been passed, you can bring it up and say to the Congress, 'Do you want to stay here and pass it?' -- put that question to them. But no protracted debate on it -- we do not want to even suggest that Congress stay for that one sole reason." That is about the situation.

Q Mr. President, are you ready to say anything about the Virgin Islands?

THE PRESIDENT: Not yet.

Q The Baltimore Evening Sun is interested in the Tydings-McCormack bill you were asked about the other day. At that time you said you had not read it -- I have not either -- but it is a bill that provides for the arrest of persons who circulate anti-American literature among the Army and Navy.

THE PRESIDENT: I have not looked it up, even.

Q Thank you, Mr. President.

THE PRESIDENT: By the way, before you go, one thing, so as to get the

046

record clear. There were one or two completely cuckoo stories in the press this morning -- I say, "only one or two," I mean one or two papers -- about the talk I had with Morgenthau and Hopkins and Miss Perkins yesterday. There is nothing, absolutely no news in it whatsoever. On the third of January next year I have to send a Message to the Congress. That Message will be based on the information that we get in regard to unemployment somewhere around the first of December or the fifteenth of December, three or four weeks before the Message goes in. In other words, the latest available information. The only thing we talked about yesterday was how best to get that information and collect it between now and December, and that is literally all that was talked about. Naturally, there will be some unemployed at that date.

Q Do you care to comment on the meeting with Governor Talmadge?

THE PRESIDENT: You have read it in the papers. On that, it is a very simple thing. The Department of Agriculture has the responsibility, before it approves paying over money to state highway departments, has the responsibility of satisfying itself that the inspection and engineering services of the highway department in that state are sufficient. They do not believe that the Georgia highway department at the present time satisfies that requirement. The amount for Georgia, of course, remains in the Treasury until such time as the Department of Agriculture is satisfied that the requirement has been met. That is all there is to it.

Q May I ask one more question with respect to a previous inquiry? Could we put it affirmatively that you believe that this Government should exercise the right of every other government and not

permit itself to be sued?

THE PRESIDENT: Yes.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #223,
Executive Offices of the White House,
July 24, 1935, 10:40 A.M.

THE PRESIDENT: He got one (suit) like this.

Q Is that that South Carolina suit?

THE PRESIDENT: I do not know whether it came from South Carolina or where it came from.

Q Possibly Louisiana.

Q New Orleans?

THE PRESIDENT: Not New Orleans, surely. (Laughter)

THE PRESIDENT: I have to be careful.

Q Mac (Mr. McIntyre) has his fancy suit on today.

THE PRESIDENT: He loaned me this tie. (Laughter) Do you see his favorite flower in his tie? (Laughter)

I do not believe there is any news today; I haven't a thing.

It sounds as if there are a lot of people coming in for nothing.

MR. DONALDSON: All in.

THE PRESIDENT: Good news: No news. Next?

Q Mr. President, is Mr. Pecora going to be counsel for the A T & T investigation?

THE PRESIDENT: I don't know.

Q Louder, please. (Referring to question)

THE PRESIDENT: He asked about Pecora and I said I didn't know.

Q Do you expect oil legislation this session?

THE PRESIDENT: That I don't know, either.

Q The bus-truck bill is going along nicely. Can you encourage it a little bit too?

THE PRESIDENT: Is it? I said all along I hoped they would get some legislation on it.

Q Did the Flood Control Committee recommend a survey of the flood control district in New York?

THE PRESIDENT: I don't know whether they recommended it or not, but we are putting in an allotment of two hundred thousand dollars for the Army Engineers to go up there and make a survey of those rivers and lakes. The Army said that that would probably be sufficient to make it on.

Q To determine what should be done later?

THE PRESIDENT: Yes.

Q Do you believe abandonment of the naval ratio system would help us get a new naval ratio system?

THE PRESIDENT: No news on that.

Q When do you expect to name the new Labor Board?

THE PRESIDENT: In a few days.

Q Mr. President, can you comment on the effort of the organized charities to recommend in the new tax law provisions permitting corporations to deduct their contributions?

THE PRESIDENT: Yes, I will tell you a story about it. Away back -- some of you people who were up in Albany can check on this -- away back, I think it was in 1930, a bill was passed in the Legislature -- it might have been '29, but I think it was '30 -- to allow utility corporations to contribute to charity. They could not do it under the New York law. I vetoed the bill and, if you will look up that veto message, you will see a good many reasons why I vetoed it.

Of course, the general theory of corporation gifts to charity

is that in a good many instances they serve a humanitarian purpose. Then, again, there is another theory on which a good many companies want to give contributions to charity. That is found, for example, in comparatively small towns where they have a Y.M.C.A. or some kind of recreational center. If the corporation gives to the maintenance of that recreation center or Y.M.C.A., they do not have to put one in for their own employees. However,that is a rather rare example.

There are two reasons why corporations, as a whole, ought not to give to charity: The first is that in a great many cases their gifts to charity are given, frankly, in order to obtain public good will. The best illustration of that is a certain Southern state where the president of the power company which covers the state was horrified at my suggestion that his company ought not to give to local charities all over the state. He said, frankly,

> "Every one of my agents in every community in this state has a definite order that if there is a charity sociable, or a chicken supper, or a hospital affair, and it is in any community served by the company, my agents must go to the committee and say 'Such and such an electric light company'" -- I won't give you the name -- "'wishes to be the first to subscribe. We want to head the subscription list.'"
>
> I said, "What do you do it for?" "Why," he said, "good will."

So you see, it is a method of buying good will. Of course I don't think that any company has a right to buy good will through gifts, whether it be utilities or anybody else.

Then there is the other good reason. There are a very large number of people in this country who live, either in large part or in whole, from the dividends or coupons which they receive from their investments. It seems to me that most people would agree with me that

people who get their living from investments ought to have the right to choose the charities to which they will give, rather than let the officers of the company give for them.

This particular amendment that they are trying to put through, as I understand it, would allow a corporation to give up to 5% of its net income to charity. Now, that means this: Suppose an individual or a family has $5,000 a year from investments. Well, that means, assuming that that $5,000 represents the net earnings of the company in which they have their investment, or that it is their share of the net earnings, that the company is giving away $250 of their $5,000. Well, if I had that income from that company or those companies, I would rather get the full $5,000 and do my own giving away of $250.

There are the two aspects of it.

Taking it by and large, I believe that most people believe that corporations ought not to give their stockholders' money away, but the stockholders should do it themselves.

Q Mr. President, if the Clark amendment with respect to old-age pensions obtains, do you think that the Labor Board will be affected by the amendment where the companies retain their own pension system?

THE PRESIDENT: Of course you know I have been opposed to the Clark amendment right along. The difficulty with the Clark amendment is that there is always a perfectly human temptation on the part of any company to set up its own insurance fund -- to set up a partial fund and unload the old people on the Government fund and then keep the young people, who cost less as a risk, on their own fund.

Q My question, Mr. President, went to the point as to whether this

charter given by corporations might be used to affect the workings of the Labor Board and also of the old age pension, if the amendment obtained. It is the same kind of idea that you described with respect to public good will.

THE PRESIDENT: I have not thought of it in that light.

Q With regard to the employees, it would?

THE PRESIDENT: Yes, it does affect the employees, because it takes away that much from their independence. I have not thought of that phase of it.

Q Have you any comment to make on the Connery 30-hour Bill? Sponsors of it suggested -- they tried to dish out the suggestion that they have got White House approval and also the approval of the Federation of Labor?

THE PRESIDENT: I have not heard a word about it for weeks.

Q Mr. President, what is your position on the railroad pension bill?

THE PRESIDENT: I suppose the easiest way to answer is that I have not yet found a railroad pension bill that I can get a Supreme Court clearance on with any reasonable assurance of success.

All the bills so far that I have seen do run counter to the Act that was held unconstitutional by a five-four decision. If there is some way in which we can get a railway pension act, it would be a fine thing, provided they can get something that will be held constitutional by the Court.

Q Possibly legislation with the idea of something being done over a period of time?

THE PRESIDENT: Of course that is the next thing.

Q The House Military Affairs Committee reported on the Tydings-McCormack Bill.

THE PRESIDENT: I was asked about that last week and I said I would look it up and I haven't. So I can't comment on it.

Q What did you think of Senator Borah's "must" legislative program?

THE PRESIDENT: Ask Steve (Early) to tell you a story about it.

Q What do you think about his day of adjournment?

THE PRESIDENT: That is part of Steve's story.

Q When do you make public your Cabinet Committee's textile report?

THE PRESIDENT: I don't know. I haven't even seen it yet. It hasn't come to me.

Q We understand that some of the State Dept. people were over to see you on neutrality. Can you tell us whether you assured the State Department that the Nye proposal is discretionary rather than mandatory?

THE PRESIDENT: It is a terribly long subject. Some should be discretionary and some needn't be.

Q How about arms embargo?

THE PRESIDENT: Well, that is part of the general thing. There are too many ifs and ands in it. It would take me about two hours to go over it.

Q Nothing definite decided?

THE PRESIDENT: No; it is a tremendously big subject.

Q When will you approve the twenty million dollars for Central Valley?

THE PRESIDENT: I am going over that big list today. I have forgotten how many -- probably 80 or 100 projects on there and I don't want to say anything about it until I finish going over the list.

Q Do you care to say anything about the letter from Senator Thomas and forty other senators on the silver question?

THE PRESIDENT: I haven't acknowledged it yet. It is in the works.

Q Do you expect anything on the War Profits Bill this session?

THE PRESIDENT: I don't know. Probably what I told you last week to the effect that neutrality legislation is a very desirable thing but I didn't want to keep Congress.

Q Do you expect to take any action on the Falls Ferry Bridge in Georgia?

THE PRESIDENT: I don't think there has been any question of forcing it out. I think the petition was perhaps signed under a slight misapprehension.

Q Is that neutrality answer on the record this time?

THE PRESIDENT: You may put it on the record as long as it was printed that same afternoon last week.

Q Thank you, Mr. President.

(The Press Conference adjourned at 10:50 A.M.)

CONFIDENTIAL
Press Conference #224,
Executive Offices of the White House,
July 26, 1935, 4.00 P.M.

MR. DONALDSON: All in.

THE PRESIDENT: I do not believe there is any news.

Q Are you going away tomorrow, Mr. President?

THE PRESIDENT: Do you want the lid on until Monday?

Q Yes, sir.

THE PRESIDENT: All right, then I will go. I will leave about noon, or somewhere in there, and come back about noon Sunday. I will spend one night.

Q How do you stand on restoring annual leave for Government employees?

THE PRESIDENT: What is that?

Q There is a bill to come up pretty soon taking fifteen days off sick leave and putting it on annual?

THE PRESIDENT: It has not been brought up yet.

Q Can you tell us about your talk today with Mr. Walsh (Frank P. Walsh of the New York State Power Commission); we missed him?

THE PRESIDENT: Oh, nothing in particular. (Laughter) Just a nice social visit.

Q Mr. President, have you decided on Judge Pecora yet for the A. T. & T. investigation?

THE PRESIDENT: Same situation; nothing decided.

Q Reports have been published that Mr. Pecora might be put in charge of all so-called New Deal investigations. Has that been considered?

THE PRESIDENT: I never heard of it, Charlie (Mr. Hurd).

Q There is a published rumor today that General MacArthur may go to the Philippines in some advisory capacity?

THE PRESIDENT: I think you had better talk with Douglas himself about that. I have heard rumors to that effect too, that they are very anxious to have him out there.

Q What do you think of the rumors?

THE PRESIDENT: You had better talk with him.

Q There is no limit to that extension?

THE PRESIDENT: No.

Q Have you reached any decision as to when you will let him go?

THE PRESIDENT: No; I have not talked about it for three or four months.

Q He has finished up legislation in the War Department?

THE PRESIDENT: I think that is pretty well finished. The only thing left is the question of the $40,000,000. more for planes.

Q Will you comment on the action of Mayor LaGuardia in stating that our treaty with Germany has been violated?

THE PRESIDENT: No.

Q Did you get any protests on your stand about the exemption of corporate contributions to charity?

THE PRESIDENT: Yes, both ways; protests and approvals.

Q Would you care to comment on the deadlock between the Utility Bill conferees over the present --

THE PRESIDENT: (interposing) No. It is still in train (?), as they call it.

Q Mr. President, in connection with your talk on tax exemptions, it is pointed out in New York that in 1931 and 1932 you, as Governor, signed bills that permitted corporations, except utilities, to make contributions to charities?

THE PRESIDENT: Charlie (Mr. Hurd), I wish you would look it up and see the memorandums filed with those bills which, in effect, as I remember

it -- I haven't my files here but I am checking in my own memory, but I think there was a memorandum that said -- we did successfully keep out utilities from the bill; that part was taken out -- but that I had signed the bill as a one-year temporary measure on account of the emergency. You will also remember that at that time the State of New York was carrying the whole burden of relief and was getting no funds from the Federal Government.

Q Both years you made a qualification and in 1933 Governor Lehman signed the same bill. Of course the argument is that they still have the same argument on the load carried by private charity and they said --

THE PRESIDENT: (interposing) Those bills did not exempt?

Q They merely authorized them.

THE PRESIDENT: They merely authorized deductions; that is all. No exemption from taxation on those New York State bills.

Q Mr. President, have you anything new to say on the New York flood relief situation?

THE PRESIDENT: No, I signed a bill -- didn't I sign a bill today to authorize the R. F. C. to spend that balance that they have? That was to cover the New York and, I think, the Nebraska cases.

Q That would not take care of the New York rural situation where the silt is so bad?

THE PRESIDENT: We are up against the same problem we ran into the other day. We cannot build, repair or put private houses on private property. That is an unfortunate decision but we cannot build houses or restore fields. We can clean up debris and we can, through the War Department Engineers, correct flood conditions for the future -- straighten out the creeks.

Q Did you comment, sir, upon the tax bill as it is now formulated in the House?

THE PRESIDENT: No, because if I did I would have to comment every day that it changes.

Q Mr. President, can you outline what your Administration is doing or planning to do to keep us out of war?

THE PRESIDENT: I could do it in an hour and a half. It is a tremendously big subject. Of course there are two main, salient facts: the first is the Good Neighbor policy to keep us friendly with nations, and the other is every effort, through diplomatic agencies, to keep us from getting involved in specific cases that do not concern us. I do not think I can go any further than those two general statements.

Q And how to keep us in a sufficient state of preparedness so that other nations would not --

THE PRESIDENT: (interposing) Yes, I should say that is a corollary.

Q Do you consider Ethiopia a specific case that does not concern us?

THE PRESIDENT: I should say yes, except world peace and, naturally, the personal feelings of a great many Americans. Americans do, naturally, have personal feelings about those things. That you cannot stop by Government decree.

Q Are you prepared to comment on the Tydings-McCormack Bill?

THE PRESIDENT: I have not done a thing about it. You asked me about it the day before yesterday and I have not done a thing about it.

Q Have you signed the Orders allocating the $200,000. for flood survey in Southern New York?

THE PRESIDENT: Yes.

Q Western communities are very much interested in reclamation Orders.

Have they been signed yet?

THE PRESIDENT: They were signed today.

Q Can you say what the personal feelings of the American people are in the Ethiopian strife?

THE PRESIDENT: No.

Q Can you tell us any more about your plans for N. R. A.? Mr. O'Neill, I think, is leaving August first.

THE PRESIDENT: Mr. O'Neill came in this morning and we talked about his successor. He is leaving August first and we have not decided on a successor yet. I probably will by Monday or Tuesday.

Q There is a report around that you may recommend some legislation amending the Federal Trade Commission Act, that would make a bit easier the formulation of the voluntary industrial codes. Is that correct?

THE PRESIDENT: That is a new one on me.

Q Mr. President, do you recall, offhand, what the total was on this reclamation Order?

THE PRESIDENT: I approved it and gave it to Secretary Ickes. I cannot tell you the total but the amount passed by the Allotment Board was $61,000,000. and then there was another supplemental one of $2,800,000., I think. About 63½ or 64 million. Now, whether they were all on today's list, I do not know. The Central Valley was on it, if you want to know that.

Q Mr. President, there has been reported some opposition to Governor Cramer's appointment in the Virgin Islands. Can you tell us anything about that?

THE PRESIDENT: I have not heard it.

Q Were you consulted about the requested resignation of Dr. Stannard in

the Federal Parole Board to make place for Wilson?

THE PRESIDENT: No; ask the Attorney General.

Q His explanation is pretty weak. (Laughter)

Q Mr. President, that Johnson Bill validating those P. W. A. projects that were in the doubtful category is tied up in the House. Have you taken any steps?

THE PRESIDENT: I have a pencilled memo in the desk to John O'Connor to tell him I hope he will get it out of the Rules Committee.

Q Mr. President, Mr. Grace of the Bethlehem Steel Corporation said in New York yesterday that American producers of steel will not be able to sell steel for relief projects because the differential they get is not high enough. It is only 15%.

THE PRESIDENT: Yes, and I also see in the headlines -- of course we can talk about the headline fellows all we want here -- it said that the foreign steel producer was given a 15% preferential over American steel producers -- that was the headline on the story. Isn't that grand?

There is nothing new in it. It is very simple. On Government purchases for a great many years we have been confronted very often with the problem of, "What are you going to do on a Government purchase when some foreign firm comes in with a lower bid?" Well, we had a case this past year -- I think I mentioned it about six or eight months ago -- on airplane cloth. In that case the Japanese bid was just about half the American bid. There was only one American firm that made airplane cloth and the Jap bid was half of theirs.

Of course it meant spending, if we took the American bid, twice as much of public funds as if we took the Jap bid. Of course in that particular case we made an exception to the general rule because we

thought that airplane cloth was somewhat in the nature of essential war materials and that we ought to encourage the building up of its manufacture. So we spent twice as much Government money as we would have otherwise and we took the American bid. That was done, frankly, for the purpose of encouraging the manufacture of airplane cloth in the United States.

Now, the general rule laid down some time ago was this: that on proposals for Government materials, take for instance steel, the American manufacturer is protected by a tariff and on steel, depending on what kind of steel it is, it is a fairly high tariff, as we know. That was seen to under various previous administrations, without specifying which, and the steel manufacturers in this country thought that the tariff on steel had been got up high enough to protect them. That tariff on steel, taking it by and large, has not been reduced except on one or two minor parts of steel production. On top of that, there is a general order of the Government that in addition to the tariff, we won't accept a foreign bid unless it is more than 15% less than the American bid. In effect, in other words, we are adding 15% to any existing tariff to protect American manufacturers.

Now, that is the answer to the headline in the paper that I read, and it is a very simple, square, straight proposition. If an American manufacturer is being under-bid by 10%, 12%, 14% or 15% by a foreigner who is able to pay the high tariff and still put in a bid 15% cheaper than the American manufacturer of steel, he still won't get the contract, but when he under-bids the American by 15%, then he will get the contract.

Q There are two points Mr. Grace made, first that this was PWA money,

which was designed to stimulate American industry and, secondly, that the Belgians and other foreign producers can sell at more than 15% below Americans.

THE PRESIDENT: Is any steel being bought by PWA?

Q Very little, if any.

THE PRESIDENT: When some comes in, talk to me again.

Q Under the same policy, German steel has come in, and Danish cement, to my knowledge. That developed during the tariff --

THE PRESIDENT: (interposing) How much do you suppose came in?

Q A Danish ship brought a whole shipload of cement and it all went in.

THE PRESIDENT: How much cement do you suppose came in from Denmark and other ports in comparison with what we use?

Q A great deal of it comes over as ballast.

THE PRESIDENT: What percentage?

Q I do not know.

THE PRESIDENT: One or two per cent?

Q No, more than that.

THE PRESIDENT: Are you sure? You had better check.

Q It was more than two per cent. I do not know what it is now.

THE PRESIDENT: I do not believe it is now.

Q Have you signed that bill authorizing judges for the Federal Court in Southern California?

THE PRESIDENT: Not yet. I got it in last night. I have not signed it yet. It has been approved all along and it will be signed.

Q Anything you can tell us about Federal finances up until next year?

THE PRESIDENT: On next year's Budget you will have to wait until the third of January.

Q Are you going to take any action on the Camden strike?

THE PRESIDENT: I have been talking today with the Secretary of the Navy about the Camden strike and I hope to get something started the next few days. It is about time that it is settled.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #225,
Executive Offices of the White House,
July 31, 1935, 10:40 A.M.

Q Good morning, Mr. President.

THE PRESIDENT: Hello; good morning.

I thought no hats were allowed in the Conference (referring to a rather high hat worn by one of the lady correspondents). People in the back row say to take it off. It is all right with me too. (Laughter)

Q It looks like hot stuff (indicating an Executive Order in front of the President).

THE PRESIDENT: It is not. It is just an Order. There is nothing very exciting about it.

Q Did you have pretty good fishing?

THE PRESIDENT: Very good.

Q All hardheads?

THE PRESIDENT: Yes; one was a little bluefish, about that big (indicating).

Q A little too early for them.

THE PRESIDENT: I don't think there is any special news. I signed an order last night, an Executive Order, in regard to the consumers' agencies and it recreates something that we had before, the office of Advisor on Consumers' Problems. Walton Hamilton has been appointed. It sets up officially what has been going on unofficially for the last month, the Consumers Division within the National Recovery Administration that Mr. Hamilton is the head of, and he is also a member of the National Emergency Council.

The object of the Division is the same as it was before, (reading)

"to stimulate interest in the problems of the consumer, to review public policy in so far as it relates to the consumer, and in general to suggest ways and means to promote larger and more economical production of useful goods and facilitate the maintenance and betterment of the American standard of living. The Director of the Consumers' Division shall further define objectives plan a program of activities including research and the dissemination of information, choose a technical and administrative staff, and subject to the approval of the Administrator of the National Recovery Administration, supervise the activities of the Division. Walton H. Hamilton is hereby appointed Director of the Consumers' Division of the National Recovery Administration."

Steve will give you a copy any time you want it.

Q Mr. President, do you favor increased surtaxes on incomes beginning at one million or do you care --

THE PRESIDENT: Can't discuss that. That is up to Congress.

Q Mr. President, last night in New York, Representative Celler made a speech in which he said that you were in sympathy with the mass meetings of the type which he addressed and that you wanted more of them to be held.

THE PRESIDENT: I could not discuss the speech unless I saw a copy of it.

Q He also said that you would call down the German Ambassador to the White House and inform him to inform Mr. Hitler to beware. (Laughter)

THE PRESIDENT: Well, you people have the answer to that story.

Q Mr. President, the Soviet Government seems to be disregarding the promises they made to us about restraining propaganda on our soil. Do we still expect them to live up to their promises?

THE PRESIDENT: Is the question based on your statement?

Q No.

THE PRESIDENT: That is highly hypothetical.

Q What do you think of the press dispatches from over there concerning the activities of the American communists?

THE PRESIDENT: Depends on who wrote the press dispatches.

Q In the New York Times this morning, for instance?

THE PRESIDENT: I haven't read it. I brought it over to read.

Q Fletcher (Chairman of Republican National Committee) says you are perverting and subverting the Constitution.

THE PRESIDENT: Chairman Fletcher, not Senator Fletcher?

Q Yes.

THE PRESIDENT: No. (Laughter)

Q There have been a number of stories recently about the Philippines in connection with the lapsing of the naval treaties?

THE PRESIDENT: I think they are just "if and when" stories.

Q Mr. President, is there anything you can tell us about the tax situation, generally? You had a conference last night with Secretary Morgenthau and a few more of them.

THE PRESIDENT: I have been talking with the Treasury in regard to the data that relates in general terms to the tax measure before Congress and of course relates also in general terms to the tax message that I sent up. I got a good deal of information yesterday and I still have more coming.

There are a few things yesterday that came out clearly that I think are of some interest. They seem to be taken from the records of the Treasury. I am not ready to say anything yet about the policy or the theory of the graduated corporation tax any more than I have said in my message already, or the intercorporate dividend tax, at this particular moment, but there are one or two things that came out yesterday that are of interest.

For instance, it appears that the 58 thriftiest people in the

United States (laughter) -- the 58 thriftiest people in the United States -- and of course we are all in favor of thrift, the thriftier you are the nearer you will come to being included among the 58 -- in 1932 they were all people so thrifty that they had a million dollars income a year or more and in 1932 they paid no tax to the Federal Government whatever on 37% of their net incomes.

Q Is that individually or as an average?

THE PRESIDENT: The aggregate of the 58. On 37% of their net incomes they escaped taxation altogether, largely because the investments were in municipal or state or Government tax-exempt bonds. It meant, roughly, that they had paid on $57,000,000 of taxable income and had paid no tax on $21,000,000 of tax-free income. Those figures do not quite check but, anyway, it is 37%. You had better leave out that 57 and 21. In any event, 37% escaped taxation altogether.

Furthermore, it turned up in the figures that one family in this country had 197 family trusts. They are a very thrifty family. Of course it is very easy to demonstrate that one of the primary purposes of these 197 family trusts, in one family, was to reduce their taxes through the reduction and the splitting up of income into a great many parts and thereby avoiding the surtaxes or greatly reducing the surtaxes. That family trust method cost the Government of the United States in the case of that one family a very large sum of money, impossible to determine how much, but there were 197 family trusts created in one family.

I just jotted these things down because they seemed rather interesting.

Q Will this bill get at the family trust point?

THE PRESIDENT: No, not at the family trust business. It does not touch that except that it does increase the surtaxes.

Q Won't that tend to increase the number of such trusts?

THE PRESIDENT: What?

Q Won't that tend to increase the number of such trusts in the future if there is no provision against it in the bill?

THE PRESIDENT: It could. It is a form of tax avoidance. There is a very great distinction between tax evasion and tax avoidance. Tax avoidance means that you hire a $250,000 fee lawyer and he changes the word "evasion" into the word "avoidance".

Q The House Bill provides in one paragraph that corporations formed for the purpose of tax avoidance shall be taxed 80% of their net worth.

THE PRESIDENT: It does?

Q I wondered whether that could be enlarged to include the existing trusts?

THE PRESIDENT: In other words, you think we are getting somewhere?

Q Well, it says corporation tax avoidance.

THE PRESIDENT: Anything that helps to stop tax avoidance, so much the better.

Q Will the Bill touch these 37% you were talking about?

THE PRESIDENT: No, the 37% can only be touched probably by Constitutional Amendment.

Let me see, there were some other things in here. A rather interesting thing came out. While the gift tax legislation was in the process of going through the Congress in 1932, in other words during the two months before it was actually signed, one taxpayer

transferred approximately one hundred million dollars in tax-free gifts and another taxpayer transferred approximately fifty million dollars in tax-free gifts. That is what they call "Beating the gun."

Q Can you tell us the name of that family? (Laughter)

THE PRESIDENT: Do you want me to violate the law?

Then there was another example of the use of gifts. A $100,000,000 estate was reduced within two years of death by gifts to approximately $8,000,000. There is a very interesting decision [redacted] which, if you are very curious and want some very interesting information, is the famous gift tax decision of the Supreme Court in 1931, and I call your attention especially to the dissenting opinion of Mr. Justice Stone. It was a divided Court, if you will remember, in that case, and a majority of the Court held that the law that said that gifts made within two years of death should be presumed to have been given in anticipation of death, was unconstitutional. Mr. Justice Stone wrote the dissenting opinion and there are some very extraordinary citations in that opinion of actual evasions. There were two men who gave away a large proportion of their property when they were over ninety years old. The Supreme Court held that that could not be held by Congress to be in anticipation of death. There was another man eighty-five years old and there were several others between eighty and eighty-five and of course a large number in the seventies.

Well, of course it seems to me that is a question of common sense. Anybody can make their own deductions as to whether people in their eighties and nineties gave away their property by gift in anticipation of death or not. It is a plain rule of common sense but

it is a very interesting opinion, both the majority opinion and the dissenting opinion -- it is worth reading.

Then there are various other things I am not ready on yet, but I will try to get some more figures on the corporation tax and things like that.

Q On the Constitutional Amendment, do you mean, if I understand correctly, on tax-exempt securities?

THE PRESIDENT: Yes, practically the elimination of tax-exempt securities.

Just read the message, it is in there.

Q Is the so-called tax on the so-called "bigness" highly desirable this session?

THE PRESIDENT: Read the message.

Q It is not in the House Bill.

THE PRESIDENT: Read the message, that is all you have to do.

Q Let us use quotation marks on the "58 thriftiest people in the United States".

THE PRESIDENT: Oh, I think so. I think it is all right.

Q I asked the President if we could have quotation marks on the 58 thriftiest people in the United States.

THE PRESIDENT: Yes, just that.

Q Mr. President, some time ago you announced that it might be desirable to have a conference of local and state tax officials this Summer. Do you still think that will be done?

THE PRESIDENT: I think so. I think we will probably have one this Autumn, after we have all had a little holiday.

Q Anything on the Camden Ship strike situation?

THE PRESIDENT: Haven't heard anything since Monday.

The Navy Department took it up with them on Monday afternoon.

I haven't heard anything further.

Q Have you gotten around to the Tydings-McCormack Bill yet?

THE PRESIDENT: Not yet.

Q Do you plan any appreciable Army Housing program in the Works Program?

THE PRESIDENT: No. They will have to do as well as they can for another year.

Q Is that the answer?

THE PRESIDENT: The answer was "no." I don't think we can put much out on Army housing out of the four billion dollars. Costs too much per man.

Q What are we going to do with the housing situation in Georgia?

THE PRESIDENT: I think that is coming along all right. The real answer is that if they will set up an adequate inspection and engineering service, we will go ahead.

Q There is a story in the paper this morning that you agreed with the Senate leaders on the Clark amendment to put it aside.

THE PRESIDENT: No. I don't know what the situation is.

Q There has been some agitation up in New York State to have you liberalize the CCC legislation so they can help in the clearing away in the flooded districts.

THE PRESIDENT: I think we are doing it another way. I think we are taking money and putting the unemployed to work on it.

Q On private land there is a great deal of silt. You don't think it will be necessary?

THE PRESIDENT: I don't think so. We have several camps which have been working on it and I think we are increasing the number of unemployed in that area to do that clearing-up work. It has got to be held to

clearing-up work.

Q Have you any idea where you will get the money to carry out the Wilcox Air Base Bill?

THE PRESIDENT: There isn't any appropriation?

Q No, sir.

THE PRESIDENT: I guess it is just an authorization.

Q Thank you, Mr. President.

(The Press Conference adjourned at 11:00 A.M.)

CONFIDENTIAL
Press Conference #226,
Executive Offices of the White House,
August 2, 1935, 4:15 P.M.

Q Is that South Carolina, or not? (Referring to the suit worn by the President)

THE PRESIDENT: Yes. I got it for nothing too. (Laughter)

Q That Congressman (who had presented the suit to the President) said he got one for nothing too. (Laughter)

Q Big stuff today, Mr. President?

THE PRESIDENT: I have not a blessed thing.

Q Going away?

THE PRESIDENT: As usual, noon tomorrow.

Q Put the lid on early?

THE PRESIDENT: Put the lid on from now. I am cleaning up a little morning mail and going down to the bottom of the Rappahanock this time. I am going to try that.

Q Are you going down by boat?

THE PRESIDENT: And coming back by boat.

MR. DONALDSON: All in.

THE PRESIDENT: There is unanimous approval of putting on the lid after this Conference until Monday morning. I am going down the river this afternoon and coming back Sunday night.

Q Where are you going?

THE PRESIDENT: I am going down to the mouth of the Rappahanock and try that end of the Bay (Chesapeake Bay). I want to see if we can get something besides hardheads.

Q Can you tell us anything about your western trip?

THE PRESIDENT: I have not thought about it at all. I have not thought about it at all except that we will end up in San Diego, if possible.

Q What do you think of the oil bill Cole (Representative William P. Cole, Jr., of Maryland) sent down early this week?

THE PRESIDENT: I have a conference coming on it; I think it is on Monday or Tuesday.

Q Can you tell us with whom that conference will be?

THE PRESIDENT: I have not got it here. I think Mr. Rayburn (Representative Sam Rayburn, of Texas), Mr. Cole, Mr. Edison, the Secretary of the Interior -- maybe one or two others, but that is about right.

Q Have you had a chance to read it?

THE PRESIDENT: No, not yet.

Q There was a man by the name of Cramer testified yesterday --

THE PRESIDENT: (interposing) Tsk!

Q --you probably saw the paper. Is there anything you can tell us further about this so-called "whispering campaign"?

THE PRESIDENT: Except probably the least surprised by most of that testimony was perhaps myself.

Q Since the Tydings-McCormack Bill is being sponsored by both the War and Navy Departments, is it proper to assume that it has the Administration's support?

THE PRESIDENT: No, I would not assume anything.

Q Some of the radicals recently deported from Cuba called on Phillips of the State Department and demanded Ambassador Caffery's recall on the ground that he had lost the confidence of the American people?

THE PRESIDENT: American people or Cuban?

Q American. Mr. Phillips thought he had the full confidence of both the Cuban and the American people. Do you share in that?

THE PRESIDENT: I think that is correct. As a matter of fact, I had an awfully nice talk with Caffery this morning and all the reports about the economic conditions in Cuba are very encouraging. Taking it by and large, the economic conditions in Cuba have picked up almost more than in any other part of the world. That sounds like a very drastic statement but I think it is true. For instance, on the sugar plantations and various other work down there, the wages, three years ago, were down around fifteen and twenty cents a day. They are now up to eighty cents or a dollar a day. The whole complexion of industry and agriculture is infinitely better and has been for a long time.

Q Several weeks ago you told us you had conferred with Senator Fletcher on a Forest Credit Bill to finance lumber companies who follow good practice. You said you would study it, I believe. Can you tell us anything you have done about that?

THE PRESIDENT: It went to a department.

Q Budget?

THE PRESIDENT: Now there are two bills. Is this the State Department bill or the private companies?

Q No, the Fletcher Bill, the private companies, giving them credit.

THE PRESIDENT: I have not seen hair or hide of it since I talked about it.

Q You endorsed it in principle?

THE PRESIDENT: Yes. I have not had it come back.

Q Is the Administration going to continue cotton loans in 1935?

THE PRESIDENT: You will have to wait until a little while later.

Q Anything you can tell us about the visit here yesterday of State Senator Cheney (Nelson W. Cheney) of New York?

THE PRESIDENT: Nothing in particular except he is an old friend of mine and we talked about the Banking Bill.

Q Will you accept the Wheeler-Rayburn Bill without the clause known as the "death sentence and emancipation proclamation"?

THE PRESIDENT: That is too much of an "if" question.

Q You still have hopes of getting the bill through?

THE PRESIDENT: Yes.

Q Have you signed the Anti-smuggling Bill?

THE PRESIDENT: It has not come to me yet. It is probably in the departments.

You know that the bill is passed up first to the department for comment?

Q Any developments toward the settlement of the Camden Shipyard's strike?

THE PRESIDENT: I think they told you in the Navy Department that they sent a letter last week and got a letter back from the company which was, I should say, what might be called "a plea in avoidance" and another letter went yesterday from the Navy Department to the shipbuilding company.

Q Anything about threatening to take away the contracts?

THE PRESIDENT: Yes. As a matter of fact, the gist of the matter in that case at the present time is that we have offered arbitration, three arbitrators to be appointed by the Government and that, as I understand it, has been accepted by the men but not yet by the company. That is the status.

Q Is that Miss Perkins' proposal about a week or so ago?

THE PRESIDENT: It has been slightly modified since then in one or two of the particulars.

Q Has the Navy given the shipbuilding company any time in which it must accept it?

THE PRESIDENT: No.

Q That is, in regards to taking the contract away?

THE PRESIDENT: No, not specifically.

Q Does it threaten to take away the contracts, did you say?

THE PRESIDENT: Not specifically. You might say that it does, conditionally.

Q Have you decided on the new head for N. R. A.?

THE PRESIDENT: Not yet.

Q Mr. President, what do you intend to do about the ship subsidy legislation?

THE PRESIDENT: They are in much closer accord than they have been for some time. As I understand it now, it looks as if it might be possible to work it out.

Q You received a memo yesterday?

THE PRESIDENT: Yes. It is not permanent legislation; it is temporary legislation.

Q Can you outline that?

THE PRESIDENT: It would take too long; it is very involved.

Q Have you any comment on the report in the morning paper to the effect that they were not going to make November first the dead line to cut off all relief?

THE PRESIDENT: We will make it as close to November first as we can.

Q There was a news radio report that there are only thirteen states in which relief can be set up and that, following November first, they are going to extend [F.E.R.A.?] N. E. R. A.?

THE PRESIDENT: Of course the trouble is that it is the kind of thing you

cannot say what the situation is didactically in one sentence. There will probably always be a small number, I suppose in every state of the Union, of people who will still be on [F?] N. E. R. A., but a very small percentage of the people. After all, what we are after is substantially the majority of people, 90 per cent, 95 per cent -- that is pretty darned good.

Q You speak of that small --

THE PRESIDENT: (interposing) That does not mean that we are changing the attitude. We are going to get substantially -- there has been no change in policy substantially. The bulk of these people -- it may not be 3½ million because, by the time we get it out, we hope it will be reduced -- therefore, if we say 90 or 95 per cent of 3 million people, that does not mean the thing has been changed. It is exactly the same policy.

Q Do you still think you will reach the peak in October or November?

THE PRESIDENT: Yes, as near November first as we can make it. I do not know about the peak because, there again, another factor enters in. You have a greater unemployment in January, February and March than you do in November, therefore you cannot take a maximum peak in November and say it will be the peak. There may be more in January, February and March because of greater unemployment.

Q I understood that you wanted to have the work well in hand and going strong around October?

THE PRESIDENT: Yes, about the middle of October I hope you will find a large majority of the people on work relief.

Q And that small percentage left, will those be employables or unemployables?

THE PRESIDENT: In a few cases they may be employables. Of course we are

going to try to eliminate the unemployables as much as we can. Of course, in some places we cannot let the fellows starve because the local people decline to take care of them.

Q There have been reports that you wanted the Labor Department to encourage the throwing out of the left wing element in the marine unions on the Coast?

THE PRESIDENT: What?

Q There have been reports that you wanted the Labor Department to encourage, more or less, the seamen's or longshoremen's unions on the West Coast to do that. Have you taken any action.

THE PRESIDENT: I never heard of it.

Q Assuming here that Cole, Ickes, Rayburn and Edison come in with a bill on which they are generally agreed, will you give that your blessing and say (to the Congress), "Let us pass it at this time"?

THE PRESIDENT: I suppose, if everybody is agreed, that will be a happy circumstance.

Q It certainly will be.

Q Mr. President, can you comment on this movement of farm groups to bring action against the protective tariff in retaliation for the processing taxes?

THE PRESIDENT: What about it?

Q The AAA reports that some of the farm groups themselves want to test the validity of the protective tariff.

THE PRESIDENT: I read that in the paper. Of course it is a symptom of the fact that the farmers in this country have a pretty distinct knowledge of the fact that cotton has gone from 4½ to 12 cents and that wheat has gone from 36 to 85 or 90 cents, and that they are getting more

money and paying off more debts and having a larger purchasing power than at any time for a good many years, even antedating 1929, when their relative purchasing power had been sinking already for eight long years. Of course it is natural that they should be worrying about the possibility of this whole farm adjustment program being thrown overboard. I think it only human. I would probably feel the same way myself.

Q Congressman Sumners, Chairman of the Judiciary Committee, brought up a startling subject about the shades of A. B. Wheeler, that Volstead Act being on the books, and he wants it repealed.

THE PRESIDENT: What?

Q Yes. He said it would be a good idea to make your "must" legislation the quest for the repeal of the Volstead Act. It is still on the books.

THE PRESIDENT: That is quite choice; I did not know it. You mean to say it has taken all this time to follow it up?

Q Never worried about it before.

THE PRESIDENT: If Judge Sumners thinks it ought to be repealed, I am with him.

Q Thank you.

Q To get back to relief just a moment -- the Conference is ending prematurely here at times -- have you any figures, approximate figures even, which will indicate the number of people that have been put to work under work relief?

THE PRESIDENT: At the present time?

Q Yes.

THE PRESIDENT: No, I haven't, Fred (Mr. Essary). The August first figures I

do not think are finished.

Q What figures did you have before that? Have you any in mind?

THE PRESIDENT: You had the July first figures -- I have forgotten what they wer

Of course the August figures will be low. You have the C. C. C. Camps and 75 or a hundred thousand veterans. The pickup will come in September and will increase in October.

Q What is holding up the release of funds on approved P. W. A. projects?

THE PRESIDENT: What kind of funds?

Q The Federal participating funds in the approved P. W. A. state programs?

THE PRESIDENT: What is holding them up?

Q Yes.

THE PRESIDENT: Are they being held up?

Q There are very few programs under way?

THE PRESIDENT: You will have to give me an instance.

Q The Georgia program. The Ohio program was announced Wednesday and they have no funds out there?

THE PRESIDENT: Of course that is one of our troubles. The process is that as soon as the allocation is made then we have to go through the subdivision of the allocation so as to have the component parts of the total allocation fall within the different groups. Now, that is quite a task and it takes in the Budget Office, I should say, and an average of three or four departments before it gets here to my desk.

In other words, for instance, in Georgia there may be an allocation of $7,000,000. I suppose that $7,000,000 might be in as many as six or eight different groups under the bill. It may fall, a portion of it, on the road schedule; a portion of it may fall into some other schedule like Rural Electrification. You will remember those various

groups in the bill. Then, finally, it comes to me. The bill is here just about two hours. It actually stays in the White House about two hours. From here it goes to the Comptroller and the Comptroller is then faced with the necessity of going through all of those first things and giving them clearance. Now, after his staff gets going, in another two or three weeks, the delay in the Comptroller's Office will be cut down. It actually takes two or three weeks to get shaken down. When the first kind of an allocation for that particular kind of subject goes through, it takes his staff a long time to analyze it and get the clearance, but when the next thing goes through, there will be a precedent for it and he tells me that he will be able to clear it much more quickly.

The most of the delay has been in the Comptroller General's Office and that is no accusation because it is perfectly correct that he should scan very carefully all of the defining and subdividing of these first allocations. He has promised much greater speed from now on. Therefore, if the allocation goes through last Tuesday and the money does not get down to the state for a week, that is a pretty short time.

Q Anything on the N. R. A. Administrator yet?

THE PRESIDENT: Not yet.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #227,
Executive Offices of the White House,
August 7, 1935, 10:55 A.M.

MR. DONALDSON: All in.

THE PRESIDENT: I think the only news -- I think you will get a copy of it afterwards -- is an Executive Order which ties in the overhead, that is to say the administrative expenses, of the seven lending agencies into the Budget. The seven agencies whose operations do not come under the Budget by law or under the Accounting Act of 1921 are requested to submit to the Director of the Budget estimates covering future expenditures for administrative purposes. The seven agencies affected are the Federal Home Loan Bank Board, the Home Owners' Loan Corporation, the Federal Savings and Loan System, the Federal Savings and Loan Insurance Corporation, the Federal Housing Administration, the Federal Farm Credit Administration and Federal Farm Credit Corporation. They are not to incur, after September fifteenth, any expenses for administrative expenses not approved by the Director of the Budget and the (Budget) Bureau is directed to apportion funds for administrative expenses to each of the agencies named, on a monthly basis, subject to modification in the event of an emergency.

This is just an effort to tie these independent agencies into the general budget system and also not to give, at the beginning of the year, lump sums but to put it on a monthly basis, subject to change.

Q Will that subject their accounts to audit by the Comptroller General as well?

THE PRESIDENT: They are audited now.

Q Yes?

THE PRESIDENT: They are under the Comptroller General now. Instead of employing a dozen new people, we will wait until we get these worked in and then we will get in another batch so that by the late autumn we will have them all under budget as to their administrative expenses.

Q All the emergency agencies?

THE PRESIDENT: Yes.

Q When the oil group left here Monday, they indicated that you planned a Message with respect to certifying a compact and some legislation?

THE PRESIDENT: It will be only a certification of the compact filed with the Secretary of State.

Q Would it include any general recommendations as to supplemental legislation?

THE PRESIDENT: Probably not. Possibly I might go so far -- I have not written the Message yet -- I might go so far as to suggest the setting up of a body here to make recommendations to the next Congress and to check and report on the workings of the state compacts so that we will know how they work.

Q Did you say that it might go up today, that Message?

THE PRESIDENT: I think so. Mac (Mr. McIntyre), did you talk to the State Department about it?

MR. McINTYRE: They told me they were going to send it.

THE PRESIDENT: It has not come over yet.

Q There was a report you were willing to agree on a compromise on the Utilities Bill. Can you say anything about that?

THE PRESIDENT: I have not heard anything about it.

Q We have intimations that you do not like the Spanish War Pensions Act, and it may be vetoed?

THE PRESIDENT: Fred (Mr. Essary), I cannot tell you about it because I have not analyzed it yet. It is now being analyzed by two or three different agencies; I haven't got it back yet. I have only read newspaper stories and not the bill.

Q When will the Labor Board be appointed?

THE PRESIDENT: I hope any day.

Q Can you make any comment on the Rhode Island elections?

THE PRESIDENT: No, except the simplest thing is to tell you what happened, as background. I did not know there was an election until I read about it in the papers yesterday morning.

Q Is there any likelihood of your visiting the Army maneuvers in Northern New York the end of the month?

THE PRESIDENT: I do not believe so; I do not think I can get up the end of the month. They end the end of the month, don't they?

Q Seventeenth to the thirty-first.

THE PRESIDENT: Yes. I do not think I will get up there in time. I will have to stay in Washington possibly a week after Congress adjourns on account of the bills.

Q There is a special election in Rhode Island. There is a bond issue of $8,000,000 for Public Works -- seventeen projects involving $15,000,000, including Federal money. Will that have any effect on the policy?

THE PRESIDENT: I never heard of the bond issue and I cannot very well comment.

Q Is the report true that today is the dead line for the Camden Ship Yards to answer?

THE PRESIDENT: You will have to ask the Navy on that; maybe you are right.

Q Have you seen the numerous marine bills?

THE PRESIDENT: No.

Q Have you discussed it with Roper?

THE PRESIDENT: No, I have not talked to Roper about it at all. I talked to Johnson about it and told him I hoped we could get something that would tide us over for another year on these contracts -- loans for new ships, post office subsidies. Some kind of legislation would be helpful.

Q Would it come under the head of "must"?

THE PRESIDENT: Where did you ever hear that word? (Laughter) No, certainly not. In other words, it is "desirable" to get that but we do not want to hold up Congress for it.

Q Mr. President, in connection with this Oil Bill that is pending and was discussed here Monday afternoon, there is some quarreling among the various factions as to whether the proposed Board should be independent or part of the Department of the Interior. Have you any preference on that?

THE PRESIDENT: Well, it is a long subject, this question of independent boards. The thing really comes down to this, and this does not relate particularly to the Oil Board but to a great many other boards that have been set up or suggested. The difficulty with a form of Government that has 25, 30 or 40 different independent administrative agencies, all of them completely independent of each other, is that it is almost impossible for the Chief Executive to tie them all in together. In other words, the day is not long enough.

The British Government ran into very much the same sort of thing. They had a very small Cabinet up to the time of the World War and practically all boards were under -- in the pre-war days -- under one of these Government departments. They were quasi-independent

but reported through a Government department.

Then, during the World War, the British Cabinet increased by leaps and bounds and almost every new agency that was created in connection with the War was made a separate department. They call it a ministry. I don't remember the exact figures, but I think they got up to 28 members of the Cabinet during the War and, of course, the thing was unworkable. You cannot get 28 people around the table on a policy matter without it becoming a forum instead of an executive body. The result is that since the War they have reduced the number of departments somewhat but still have a great many. Their practice is that within the so-called Cabinet, they have -- I don't know what their term is for it but I suppose "Executive Committee" would be the best term -- members of the Executive Committee who report not only for their own department but for one or two other departments as well.

Now, on the question of Boards, you take, for instance, this new National Labor Relations Board and the Social Security Board when the bill goes through. They are set up independently. That simply means that I have to see them separately instead of their reporting to me through some secretary.

Now, in most other countries, a pension system, or a workmen's compensation system, or an unemployment insurance system, they may be handled by independent boards, but they report to the Chief Executive through a Cabinet Officer.

Now, really, it is more a question of finding language. We can have an independent board, take on this oil thing, but it simply would add to the Chief Executive's headaches to have to see them in

addition to the other people. It would be very much simpler from the executive point of view to have them report through the Secretary of the Interior or, in the case of Social Security, to report through the Secretary of Labor.

Q They could still be independent?

THE PRESIDENT: They could still be independent. Of course they must be subject to financial checks.

Q Mr. President, with reference to your Order this morning, does that mean that in the future the administrative expenses of these various agencies will be subject to appropriation by the Congress?

THE PRESIDENT: Not necessarily but Congress will have the items segregated. It depends on the form of appropriation bill. The Congress will know how much goes to administrative expenses. Of course they know that now. This is simply to give the executive end a checkup on that from month to month.

Q Have you done anything about setting up the Central Transfer Agency for Government employees who are thrown out of work in one division?

THE PRESIDENT: No, I have not; I have not done a thing about that since I talked to you about it last. I will have to make a note and talk about it later on.

MR. STORM: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #228,
Executive Offices of the White House,
August 9, 1935, 4:15 P.M.

Q Hello, Mr. President.

THE PRESIDENT: Hello. We are off tonight.

Q What time?

THE PRESIDENT: Half past six.

Q Half past six? That is fine. Gives us a Saturday holiday. We really need one.

THE PRESIDENT: Yes.

Q The girls are keeping their hats off now.

Q It is good discipline.

MR. DONALDSON: All in.

THE PRESIDENT: At the request of one or two members of the Press who covered me over the week end, I am leaving tonight instead of tomorrow so they can have Saturday off.

Q I hope the bosses heard that in the back row, Mr. President.

THE PRESIDENT: I am going over to Annapolis and just taking a week-end cruise and getting back Sunday evening, as usual.

I signed the Motor Carrier Act, otherwise known as the bus and truck bill, today and it was twenty or twenty-five pages and it took me a long time to read it and, after I read it, I asked Mr. Eastman to summarize it for me because I could not. He has summarized it in a cople of pages so that it would be convenient for you to have this summary of it. It is two short pages and I will ask Steve (Mr. Early) to have it run off for you just as a piece of information as to what

the darned thing says. It is terribly long and confusing.

Q Have you signed the Wilcox Air Defense Bill?

MR. McINTYRE: No, sir.

THE PRESIDENT: Not yet. The only question on the Wilcox Bill -- I think I can tell you now that I am going to sign it but the question has been raised about the propriety of committing the Government, by an authorization, to an expenditure of an indefinite amount of money. Nobody knows what it will cost to carry it out. Various estimates have been made. It probably is, insofar as an announcement of future policy goes, a perfectly proper Act to sign and I am signing it on the basis that it is an announcement of future policy but without the guarantee that I am going to send up Budget recommendations for the appropriation or expenditure of those funds right away or even all of them at the next session. In other words, there is no commitment on the date of expenditure by the signing of the bill. It is merely an authorization.

MR. EARLY: It is the same way you sign the Vinson Bill.

THE PRESIDENT: Very much like the idea of the signing of the Vinson Bill for future Navy construction. It enunciates a Congressional policy and sets forth an authorization but no appropriation, that (the appropriation) being subject to future legislative action.

Q Mr. President, have you anything to say on the strikes up in New York?

THE PRESIDENT: I haven't had any word today on it at all.

Q What is your reaction to the general idea of striking against work relief?

THE PRESIDENT: I think the easiest way to put it is that the jobs that are offered are intended to replace the dole, based on the general thought that the continuance of the dole is bad for the morale of the Nation as a whole. Also, that the substitution of work relief is, we hope,

purely a temporary matter pending the time when they can get jobs in private employment. If they don't want to take work relief in this form, there is, of course, no compulsion on any of them to take it.

Q Can you tell us what the situation is regarding the Camden shipbuilding strike there?

THE PRESIDENT: I think there will be something on it tomorrow; I hope so.

Q Can you tell us whether the workers are objecting to the company's refusal to discuss even the matter of the closed shop?

THE PRESIDENT: That I do not know; I don't think so.

Q If these workers should decide not to take these jobs at these work relief wages, the security wage, what about home relief? Will they get it?

THE PRESIDENT: No. We are trying to end home relief. Of course they can take other work relief jobs. They do not have to work at their own trade.

Q Some of the members of Congress, after hearing your Message transmitting the interstate oil compact today, have the opinion that all you want is ratification of that compact. Is that correct?

THE PRESIDENT: The Message speaks for itself. Nothing else. It relates solely to the compacts.

Q Have you reached any decision on cotton loans for 1935?

THE PRESIDENT: No.

Q Do you think the Congress should determine whether a ship canal should be built across Florida, or does that come within the province of an allotment under this $4,000,000,000 appropriation?

THE PRESIDENT: On the Florida canal, the final checkup on figures shows that if the project were completed it would probably cost $146,000,000 and it does not seem right to proceed on a task of that kind without

specific authority from Congress. On the other hand, we are studying the possibility of using some work relief funds at the present time for deepening the channel from the sea past Jacksonville to -- what is the name of the place? -- Palatka, I think it was, putting people to work on the river, which would be useful whether the final canal is authorized by the Congress or not. In other words, it is part of the general river and harbor work that the Government has already authorized.

Q Could this deepened channel be used by ships pending completion of the canal?

THE PRESIDENT: Oh, yes.

Q Is there any possibility?

THE PRESIDENT: They have been working, for instance, on the channel from Jacksonville down to the ocean, keeping a certain number of people at work every year, taking out bends, clearing out sandbars, and there is still a lot of work to be done on it.

Q Have you had an opportunity to gauge the public reaction to your Tax Message?

THE PRESIDENT: It depends on which paper you read.

Q Mr. President, are you planning, as it has been reported, to modify the security wage and increase some of the higher brackets in metropolitan centers?

THE PRESIDENT: I have not heard of it.

Q Coming back to the New York Shipbuilding Corporation (Camden, New Jersey) strike, who will make that announcement tomorrow in your absence?

THE PRESIDENT: I think it will be either Miss Perkins or the Secretary of the Navy, or both.

Q In that connection, are you giving any consideration to the appointment of the Arbitration Board?

THE PRESIDENT: Yes, it is all ready.

Q Who are the members, Mr. President?

THE PRESIDENT: The names are being held in escrow. (Laughter)

Q What is holding it up?

THE PRESIDENT: Well, final agreement.

Q Can you tell us whether this Arbitration Board will be made up of Navy officers?

THE PRESIDENT: I will tell you, they are in escrow. I cannot take it out of the safe.

Q That is where they hold the funds.

Q Since the Vinson program is being carried out to a certain extent with P. W. A., is it proper to assume that some of this Wilcox program might be constructed with the present work relief?

THE PRESIDENT: No, I do not think it could be. The only possibility out of work relief money is that we might do some work on fields, but we have not taken it up yet. The bill is not signed, you know.

Q Will the Administration attempt to arbitrate these W. P. A. strikes with the Labor Board which Hopkins set up?

THE PRESIDENT: Strikes?

Q So-called.

THE PRESIDENT: That is just it; they are not strikes.

Q Will the difficulties, then, Mr. President -- what are they?

THE PRESIDENT: They are returns to their homes. (Laughter)

Q Will Mr. Hopkins' Labor Board attempt to get them out of their homes again?

THE PRESIDENT: I hope they will come out.

Q Mr. President, the Congress completed action today on the Social Security

Bill. It is a pretty good guess you will sign that?

THE PRESIDENT: It is good news.

Q Is it likely you will appoint a successor to Circuit Judge Bryan of New Orleans before Congress adjourns?

THE PRESIDENT: I did not know he was dead. When did he die?

Q He died in Florida.

THE PRESIDENT: Wasn't he the presiding justice?

Q I am awfully sorry but, to tell you the truth, I don't know.

Q Will you comment on a provision in the new Merchant Marine Bill which provides that a ship may be constructed without the borrower paying down any money?

THE PRESIDENT: No, I cannot comment on it. They are still talking about it up there.

Q Thank you, Mr. President.

Q No possibility of getting the Social Security Bill today, is there?

THE PRESIDENT: No.

CONFIDENTIAL
Press Conference #229,
Executive Offices of the White House,
August 14, 1935, 10:45 A.M.

Q Good morning, Mr. President.

THE PRESIDENT: Fred (Mr. Storm) -- how is Fred?

Q (Mr. Storm) Fine, thanks. We are all waiting for the Congress to get out, rather impatiently, Mr. President.

THE PRESIDENT: Yes.

Q I see Mac (Mr. McIntyre) has taken a page from the book of Roy Howard, on his style. He has a blue tie and a blue handkerchief.

THE PRESIDENT: I know it. Let's call him "Roy." Good, for the rest of the day we will call him "Roy."

Q Or "Clarence."

THE PRESIDENT: We are talking about you, Mac.

MR. DONALDSON: All in.

THE PRESIDENT: I don't believe there is any news at all.

Q Mr. President, have you reached any decision as to whether you are going out to Milwaukee for a speech before the Young Democrats?

THE PRESIDENT: No.

Q That is August twenty-third.

THE PRESIDENT: I haven't got any appointments, papers to the contrary notwithstanding. I don't know. I wanted very much to go up to Hyde Park this Saturday on account of Franklin, Jr.'s twenty-first birthday but I still don't know whether I can or not.

Q What birthday did you say?

THE PRESIDENT: Twenty-first.

Q Mr. President, there are some rumors that you are thinking of making some other Messages. Anything on that?

THE PRESIDENT: No.

Q No more Messages?

Q Has the Ford report come in yet, the automobile report?

THE PRESIDENT: I don't know; you will have to ask Miss Perkins. I do not know whether it came in or not.

MR. McINTYRE: Yes, it has.

THE PRESIDENT: Mac says it has come in. I don't know whether it came in or not

Q When are you going to appoint the Labor Board?

THE PRESIDENT: I hope very soon.

Q Has the Textile Committee reported yet?

THE PRESIDENT: Not yet.

Q About three weeks ago you said you were going to approve an allotment for Central Valley, California?

THE PRESIDENT: I think it is in the hands of the Comptroller General.

Q There are reports that there has been some opposition to it from the Comptroller General?

THE PRESIDENT: I don't know.

Q Will the Social Security Bill be signed today?

THE PRESIDENT: 3:30, with pictures. The only reason for the picture is that, with so much other news going on, people do not realize that the Social Security Bill went through and is being signed, and I want to give it all the publicity I possibly can because it is of such importance.

Q Will you have a synopsis of the bill?

THE PRESIDENT: I think I will say a few kind words.

Q On purely factual lines?

THE PRESIDENT: Oh, that is all I ever speak of. (Laughter) Is that right, Fred (Mr. Essary)?

Q Are you having some difficulty in getting programs from the State Highway Commissions to get road money to work?

THE PRESIDENT: I don't know. I have not talked to MacDonald in a couple of weeks. You know, Mrs. MacDonald died and he has been away.

Q There have been persistent reports from Chicago that the President has approved the allocation of $21,000,000 for improvements of a permanent type on Chicago's Lake Front. I do not see any report in the Works Progress Administration or elsewhere.

THE PRESIDENT: That is the first I heard of it.

Q Any new developments in the Camden ship strike?

THE PRESIDENT: I had not heard of it. Yesterday things -- Miss Perkins thought and hoped the thing would be straightened out today.

Q What is behind your Executive Order of the other day withdrawing the western end of the Aleutian Islands from commercial flying and making it a restricted area?

THE PRESIDENT: No, I do not think there is anything to say on that except they were withdrawn with a lot of other recommendations.

Q On recommendations of the Navy Department?

THE PRESIDENT: Navy and State and War and Commerce.

Q Have you seen Governor Davey?

THE PRESIDENT: Not yet. He is coming in sometime today -- I do not know what time.

MR. McINTYRE: He is going to phone when he gets here.

Q You did not mention the State Department? (The President had mentioned the State Department but the reporter evidently had not heard him.)

THE PRESIDENT: Steve (Mr. Early) says he does not think they recommended it but I think at least they were consulted.

Q The State Department refers to you all requests as to whether we would send somebody to China to study economic conditions, something like the British are doing?

THE PRESIDENT: I will give you the run-around -- ask the Treasury Department.

(Laughter)

Q You did that some time ago.

Q Mr. President, did you receive that telegram from the Camden Union officials last night, following a meeting turning down the Perkins proposal?

THE PRESIDENT: No, I have not seen that.

Q In reference to this survey, I remember reading some time ago that Administrator Moffett was making some such study, more or less officially or unofficially or semi-officially?

THE PRESIDENT: No. That came when he left here he said he was going through China and the Philippines and I said, "Anything interesting that you hear or think we should know, send me a dispatch on it," which he did and it was published.

Q But there has not been --

THE PRESIDENT: (interposing) No. He is somewhere around India at the present time, I think. Nothing further heard.

Q Will you appoint the board when you sign the Social Security Bill?

THE PRESIDENT: I hope to get the board before Congress adjourns. They won't be ready this afternoon, though.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #230,
Held at the Hyde Park Station on the
N. Y. C. Railroad,
August 16, 1935, 7:45 A.M., E.S.T.

Q It is the crack of dawn at this hour of the morning.

THE PRESIDENT: I am awfully sorry to get you up at this hour but it will give you a chance to go out and play golf.

Q Do you still expect to get the Holding Company Bill at this session?

THE PRESIDENT: I hope so.

Q Have you read the statement made in Chicago by Mr. Hoover last Sunday -- Hoover's statement there, which he issued in Chicago?

THE PRESIDENT: It would not be fair for me to say either yes or no on that. As a matter of fact, I read it and did not read it -- I read it very hurriedly.

Q You would not comment?

THE PRESIDENT: No.

Q Any comment on the passage of the Tax Bill yesterday by the Senate?

THE PRESIDENT: No.

Q Have you any appointments at Washington Sunday when you return?

THE PRESIDENT: Tentative. I will be seeing various people and probably several groups, checking up with the status of legislation so that I will know exactly where everything stands by Sunday night.

Q On the Holding Company Bill, would you take whatever you can get out of the House?

THE PRESIDENT: I can't tell on the details because there again -- I hope it will go through.

Q Haven't you got an appointment on a board or something that you could

give a few hungry newspapermen today?

THE PRESIDENT: Going in this morning, on the Interstate Commerce Commission, Mr. Caskie. I don't remember his first name.

Q How do you spell it?

THE PRESIDENT: C-a-s-k-i-e.

Q You haven't the Labor Board in your pocket?

THE PRESIDENT: No, nothing on that. I hope to get that by Monday at the latest, and I hope to get the Social Security Board also early in the week.

Q When?

THE PRESIDENT: Early in the week.

Q Mr. President, in view of the fact that this is supposedly a morning newspaper conference, could we have a few kind words about noon tomorrow?

THE PRESIDENT: I do not believe that there will be a blessed piece of news tomorrow because I am not doing a thing here, not seeing anybody. I haven't a single appointment here and nobody coming in to see me.

Q Who will be here for the birthday party?

THE PRESIDENT: Just Franklin himself -- he is the most important one -- the next one is John, who is here, and my mother and Mrs. Roosevelt, and Jimmy and Betsy are coming up. I think that is all. Anna is still traveling in the West.

Q Some warm in Washington.

THE PRESIDENT: Yes. It is cooler here. I hope you will find it cooler in Poughkeepsie, as usual.

Q We have a cold spot. (Laughter)

Q A little better than usual.

THE PRESIDENT: I don't believe there is any news. I am going to stay

around the place and play with the children and then we will leave tomorrow night, unfortunately.

Q Unfortunately. It will keep us out of trouble.

Q Thank you very much.

THE PRESIDENT: Have a good time. I will let you know if anything happens. I don't think anything will break at all.

CONFIDENTIAL
Press Conference #231,
Executive Offices of the White House,
August 21, 1935, 10:40 A.M.

THE PRESIDENT: Good morning. Sorry to keep you waiting; I have been writing my Boy Scout speech.

Q Is it long?

THE PRESIDENT: Six minutes, at a guess.

Q How about the Saturday night speech?

THE PRESIDENT: Russ (Mr. J. Russell Young), I have got to tell you the truth -- it is not written.

Q (Mr. Young) I feel sorry for you. (Laughter)

MR. DONALDSON: All in.

THE PRESIDENT: Sorry to keep you waiting. I have been telling the boys in the front row I have been writing the Boy Scout speech. It is all done. About six minutes.

I have got two things here: I signed an Executive Order which is the second stage in bringing the independent agencies in under the Budget. The first one was August fifth and covered seven agencies, the lending agencies. This new one covers a new group of six agencies, the Federal Deposit Insurance Corporation, the Federal Surplus Relief Corporation, the Export-Import Bank, the Second Export-Import Bank, the Reconstruction Finance Corporation and the Electric Home and Farm Authority. And there will be another Executive Order in a few weeks, before I go away, to take in the others. That will make three groups and then they will all be in.

Q How many remaining now?

THE PRESIDENT: Seven or eight.

Q After this?

THE PRESIDENT: Yes.

Q Does that mean you are going to keep the first and second export banks in operation?

THE PRESIDENT: They are still there. I do not know what is going to happen in the future.

Then the other -- Steve (Mr. Early) has got copies of this for you -- the other is the release of the report of the Cabinet Committee on Cotton Textiles, and I am asking that this not be released until twelve o'clock as it is not going to Congress --

MR. EARLY: (interposing) We can only release the summary.

Q Any decision on the cotton loans?

THE PRESIDENT: No.

This report -- it is, as Steve (Mr. Early) says, 210 pages. I think it is more than that. It is about three inches thick and we have done the best we could. We have given you the letter transmitting the report from the Secretaries of Commerce, State, Agriculture and Labor, and this letter of five pages is a summary of the entire report and I think probably that is all that most of you will want to read. We only have one copy of the other and I am sending that up to the Congress. It won't be withheld; you can read it if you want.

Q Will there be copies of the Executive Order?

THE PRESIDENT: Yes.

Q When do you expect the decision on the 1935 cotton loan to be announced?

THE PRESIDENT: Soon, I hope.

Q Do you care to make any comment on the textile report before it goes up?

THE PRESIDENT: I think you had better read it first.

Q All 210 pages?

THE PRESIDENT: No, just this (indicating summary).

Q Any comment on the neutrality resolution?

THE PRESIDENT: Not at this time.

Q The morning papers indicated that both France and Great Britain might ask the United States to invoke the Kellogg Pact?

THE PRESIDENT: Nothing on that.

Q Have any steps been taken to have the House Committee reconsider its action on the Navy contract bill, the Walsh Bill?

THE PRESIDENT: I think they are working on it today. I don't know what action has been taken. I think they are talking about it.

Q Mr. President, can you tell us anything about the Social Security Board, when you are likely --

THE PRESIDENT: (interposing) I hope to get that up by tomorrow, the three nominations.

Q Do you plan to go ahead with the Florida ship canal?

THE PRESIDENT: We are probably going ahead on acquiring the right of way, a very, comparatively small operation, and probably some dredging I spoke about before.

Q Can you tell us of your conference this morning with the Camden strikers on that shipyard situation?

THE PRESIDENT: I cannot, because I do not know about it. Up to date I have not heard anything for three days. I do not think they are down on my list.

Q Will you oppose passage of the neutrality legislation this session?

THE PRESIDENT: That is purely an "if" question. I cannot answer it.

Q Are you in favor of any neutrality?

THE PRESIDENT: I just said in the front row that I cannot discuss this.

Q Any oil legislation this session of Congress?

THE PRESIDENT: I don't know.

Q When do you intend to sign the A. A. A. amendments?

THE PRESIDENT: They have not come down yet; probably this afternoon or tomorrow.

Q Any enlightenment on the situation on the utility bill?

THE PRESIDENT: I don't know. It shifts from hour to hour.

Q Any information --

THE PRESIDENT: (interposing) I do not know what has happened.

Q -- on the ship canal? Do you expect some decision on the allotment this week?

THE PRESIDENT: It will come up before the Allotment Board next week.

Q We understood that a subcommittee of the House Committee wrote a letter about this Camden strike situation and they said if it were divulged it would have to come from here.

THE PRESIDENT: The thing is being discussed by so many people that I cannot intelligently -- the Labor Department, the shipbuilding company and employees -- I frankly do not know what the situation is today.

Q When did you say you expected a report?

THE PRESIDENT: Sometime today.

Q Mr. President, can you tell us anything about your talk with Mr. Moffett?

THE PRESIDENT: We talked about his trip, all the countries he has visited.

Q Is he going to stay or leave?

THE PRESIDENT: I hope he will stay on for a little while.

Q Will you insist on Senate action on the Guffey Coal Bill?

THE PRESIDENT: That sounds like the word "must." "Out of the window," as Al (Governor Alfred E. Smith) would say.

Q It is a key bill.

Q In connection with Moffett's visit yesterday, would you care to say anything about silver policy?

THE PRESIDENT: He told me just what he told you people, what his impression was of the situation in China.

Q Mr. President, anything on the N. R. A. Administrator yet?

THE PRESIDENT: Not yet.

Q When will the directors of the Federal Reserve -- the new Federal Reserve members, when will they be named?

THE PRESIDENT: I have not seen the bill. Doesn't it give me sixty days?

Q Until February first.

THE PRESIDENT: Then I don't know.

Q Mr. President, is any answer being sent to Mrs. Bergdoll concerning her request for an interview?

MR. McINTYRE: A letter was sent some time ago.

THE PRESIDENT: There was a letter sent about three or four months ago -- it may have been six months ago -- way back in the early winter.

Q This is the young Mrs. Bergdoll?

THE PRESIDENT: It was sent to her, I think -- wasn't it?

MR. McINTYRE: It was.

Q Can you tell us what you are going to talk about Saturday night?

THE PRESIDENT: I don't know.

Q We can't guess then.

THE PRESIDENT: I have read what I was going to say but I have not decided on it.

Q Have you anybody in mind to send to the new Naval Conference the British are suggesting now?

THE PRESIDENT: Has the suggestion been made to the State Department?

Q I do not know whether the State Department got it yet -- (Laughter)

THE PRESIDENT: That is what they call "premature."

Q On the Social Security Board, the administrators --

THE PRESIDENT: (interposing) The three of them? I am going to send them in, I hope, tomorrow.

Q The Labor Relations Board?

THE PRESIDENT: The same thing.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #232,
Executive Offices of the White House,
August 23, 1935, 4:00 P.M.

Q Good morning.

THE PRESIDENT: Well, judging by your faces, I see you feel pretty happy today.

Q (Mr. Storm) We had plenty of work.

Q (Mr. Roddan) It has been hell today.

THE PRESIDENT: Are you looking for an easing up of the grind?

Q The phone booths are pretty hot out there. We really got a workout today.

THE PRESIDENT: Did you? It is cool today.

Q Not when you shut the door.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think I have a single bit of news today.

Q Good.

THE PRESIDENT: I think you are at the wrong end of the Avenue. (Laughter)

Q Are you calculating, sir, to sign any more bills this afternoon?

THE PRESIDENT: Oh, I sign them every hour.

Q Have you got a list of those that are here?

THE PRESIDENT: I got a flock of them here.

Q (Mr. Essary) Tripple A; T. V. A.; Railway Retirement; Rivers and Harbors --

THE PRESIDENT: (interposing) Tobacco; Missouri River; Sheffield, Alabama; Rouses Point, New York; Plainville. That is all I have got, Fred (Mr. Essary). There are more here somewhere but not in here yet.

MR. EARLY: They are probably referred out to departments.

THE PRESIDENT: Referred out to departments, you know. In other words, bills that come down from the Hill, they fly through here, go elsewhere and

then come back again.

Q Can you tell us what you expect to happen to the subsidy bill?

THE PRESIDENT: Which one?

Q The ship subsidy bill?

THE PRESIDENT: I do not know. I have not heard today at all. I have no information on it.

Q Mr. President, will we get your speech tomorrow? About what time?

THE PRESIDENT: It depends on when I write it. (Laughter)

Q I hope you write it early. (Laughter)

THE PRESIDENT: I am not going to write it probably until late tonight or tomorrow morning. I will let you have it as soon as I can.

Well, there isn't any news here at all. Everything is quiet and I will be here probably for a week after Congress goes home and then go up to Hyde Park. Those are the only plans so far.

Q Mr. President, is there anything further you can tell us with regard to the neutrality bill?

THE PRESIDENT: Nothing further. I think the Secretary of State talked to you about it this morning off the record and I think what he told you is all that is necessary to say.

Q Any comments you desire to make on the results of the last session -- the present session which is about to conclude?

THE PRESIDENT: No, not yet.

Q How long do you plan to stay in Hyde Park?

THE PRESIDENT: I don't know. I have not made any plans beyond going there.

Q Anything you can tell us about the present jam up of the alcohol control bill --

THE PRESIDENT: (interposing) I have not heard anything on that since last night

Q -- and what steps might be taken in the event no bill is passed?

THE PRESIDENT: In case no bill is passed, the present organization keeps on for the same length of time, as I understand it, that the N. R. A. has been extended.

Q But not with any powers of control?

THE PRESIDENT: No. That is right.

Q Do you have any comment on the Banking Bill, now that you have signed it? What you hope to accomplish?

THE PRESIDENT: Read the title of the bill. I hope it will accomplish all those things.

Q Thank you, Mr. President.

THE PRESIDENT: The chief thing in the title says, ".... and for other purposes."

CONFIDENTIAL
Press Conference #233,
Executive Offices of the White House,
August 28, 1935, 10:45 A.M.

THE PRESIDENT: We will be getting a little holiday, all of us.

Q We are ready for it, Mr. President.

THE PRESIDENT: I think so. Tired eyes.

Q Mr. President, we have to call on you to umpire another ball game up there.

THE PRESIDENT: I think so. Are you on the Vassar team?

Q (Mr. Storm) I am the anchor man.

Q Have you had a reply to the State Department note?

THE PRESIDENT: Not yet.

Q Not yet? Not read the papers?

THE PRESIDENT: I read it, yes.

Q Anything to say about it?

THE PRESIDENT: You have to ask the State Department.

Q Anything on the direct evidence we have of the violations?

THE PRESIDENT: No, you have to ask the State Department.

Q Have you talked to Hull about it?

THE PRESIDENT: Only by telephone. I am seeing him today sometime.

Q On that?

THE PRESIDENT: On that and a lot of other things too.

You people are driving me. You know, normally I would stay up until ten or eleven, but I have got to get out this week so last night I stayed up until one o'clock and I will stay up until one o'clock tonight, just so you people can get away this week.

Q When do you think you will get away -- Friday or Saturday?

THE PRESIDENT: I do not believe, Russ (Mr. Young), it will be until Saturday,

because if I make it Friday I will have to stay up all night.

Q How about the Rhinebeck Fair?

THE PRESIDENT: That is off.

Q He is very anxious to get back to the Rhinebeck Fair in order to get his forty dollars back.

Q When will you sign the Guffey Coal Bill?

THE PRESIDENT: The signing will be done just as soon as Joe Guffey is ready to come down, and I think Dave Lewis and the Governor and who else?

Q John Lewis?

Q Snyder?

THE PRESIDENT: Yes.

Q What can you tell us about the possibility of getting some money to run these various offices sidetracked by the failure of the deficiency appropriation to go through?

THE PRESIDENT: Not very much, except that we went over all the items yesterday and it looks pretty discouraging. It looks very discouraging, especially for the Social Security bill expenditures. You see, there were 66 or 72 millions carried in the bill for that. Well, that covered the crippled children, the handicapped, the dependent widows and old age. I don't believe we can disburse any of that money.

Q Approximately how much of that would be required for the next four months, Mr. President?

THE PRESIDENT: I cannot tell you except we cannot get that money for disbursing, as far as we can see.

Q Can you set up administrative personnel?

THE PRESIDENT: What we are going to try to do is to set up, in the case of Social Security, enough of an organization so they can get all of their

paper work, all of their administrative work and their letters and contracts -- because that is what they amount to -- with the different states worked out, so that when Congress gets back they will be ready to shoot. But I do not believe any benefit payments can be made until we get an appropriation.

Q Any likelihood of calling Congress back before January?

THE PRESIDENT: No chance that I know of, no.

Q If the state had the money, could they advance any money for such payments?

THE PRESIDENT: I do not believe there is any appropriation we can do that out of, legally.

Q What is that?

Q I mean, if a state itself had enough money to pay $30 a month for old age, could they do that on the expectation of being reimbursed by the Federal Government?

THE PRESIDENT: That I do not know. We cannot give them any pledge on a thing like that.

Q The District of Columbia old-age pension fund is in the same class?

THE PRESIDENT: In the same class. In other words, we can set up the machinery but not pay out anything.

Q Mr. President, will you comment on the report that you will sign the neutrality resolution reluctantly?

THE PRESIDENT: Well, that is just a -- well, I won't characterize it.

Q Will you sign it today?

THE PRESIDENT: I think so. Today or tomorrow.

Q Will you have a statement on the bill at that time?

THE PRESIDENT: I do not think so. As a matter of fact, on the neutrality bill I

suppose the easiest way of putting it is this: that it is entirely satisfactory, except that it does not include any power over loans for financing. That did not go through. The question of embargoes as against two belligerents meets the needs of the existing situation. What more can one ask? And, by the time the situation changes, Congress will be back with us, so we are all right.

Q In your Budget Message you promised to prepare and present a summary of the Budget by the adjournment of Congress or thereabouts. Is that in the mill?

THE PRESIDENT: The Director of the Budget is working on that now. It will take him, I imagine, two or three weeks, but I hope to get it through and finished before I go west.

Q Does the trouble with Russia affect the reciprocal trade arrangement you recently made?

THE PRESIDENT: I do not know; I never thought of it. I could not answer it.

Q Mr. President, when do you expect to act on the Rivers and Harbors Bill?

THE PRESIDENT: That has not got down to me yet. You see, a good many of these bills are still out in the various departments for recommendation. This bill I got here is all that has come to me that I have not acted on and most of these are vetoes, which require the preparation of special Messages. You see, there is hardly anything there. I am right up to date.

Q Personal relief bills?

THE PRESIDENT: Yes, things of that kind.

Q Is it too early to discuss your plans for the western trip?

THE PRESIDENT: A little bit. In general, so far I have only got as far as the approximate times. I have not got to the question of places any

more than I have said before.

Q Boulder Dam?

THE PRESIDENT: Boulder Dam and the San Diego Exposition. There may not be any other places because I may not be able to work the time in.

Q How about your return?

THE PRESIDENT: I hope through the Canal.

Q The Chamber of Commerce announced that you would be out to the Boulder Dam ceremony on the twenty-sixth of September. Is that positive?

THE PRESIDENT: No date is positive. I hope it will be around the end of September but I cannot give anything closer than that. I hope it will be during the last week of September.

Q Have you signed the railroad pension bill?

THE PRESIDENT: Not yet.

Q Is the gold clause bill back?

THE PRESIDENT: Yes, I signed it last night. I put the hour on it. That is one of the bills that I have to put not only the date but the hour. I signed it at 6:00 P.M. last night.

Q The gold clause bill?

THE PRESIDENT: Yes.

Q Does the public works' deadline apply to housing?

THE PRESIDENT: As far as possible.

Q Will it apply to rural electrification?

THE PRESIDENT: As far as possible but, there again, there will be certain exceptions. Morris Cooke won't have, because it is a brand new thing, everything in by that time but he will probably know by that time how much he will have in by the following thirty or sixty days, so we will know what his total will be, which is the main objective.

And also, of course, on rural electrification, once the allotment is awarded, the actual work does not take very long to begin. You can do it in a week or ten days because there is so much manual labor.

Q Will it reach the bulk of the unemployed by November first?

THE PRESIDENT: I think so; during November anyway.

I do not think there is any other news. I will still be here Friday.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #234,
Executive Offices of the White House,
August 30, 1935, 4:00 P.M.

Q When do we get away -- about midnight tomorrow?

THE PRESIDENT: Yes.

MR. DONALDSON: All in.

THE PRESIDENT: Well, I hope to get away tomorrow night. Sunday afternoon the White House Correspondents' baseball team will hold its first practice. On Wednesday they play Vassar.

Q And we get licked.

Q In the tap room.

THE PRESIDENT: Steve (Mr. Early) tells me I have got forty or forty-five bills left that have not yet come back from the departments. I am going to try to get them in tonight or tomorrow morning and get them practically all cleaned up before I leave.

Q Can you tell us something about the Coal Bill, which was signed today -- your expectations, et cetera?

THE PRESIDENT: No, we hope to get the machinery going this autumn.

Q This autumn?

THE PRESIDENT: Get the appointments made.

Q That may mean several weeks before the Board is in operation?

THE PRESIDENT: That depends on the definition of the word "several." I hope to make the appointments to the Board within the next couple of weeks -- perhaps by the fifteenth of September.

Q Do you know what kind of a Board you want yet, whether they will be technical men?

THE PRESIDENT: I have not thought of it at all.

Q The Labor Department says that commodity prices have hit a new high for five years. Have you any comment on that? Do you want that to go higher?

THE PRESIDENT: What is that, steel and --

Q (interposing) The regular commodity index they get out.

THE PRESIDENT: Like the Times index?

Q They have been getting it out all the time.

THE PRESIDENT: It is a general index?

Q Four hundred of them.

THE PRESIDENT: I do not know what the difference is between their index and the Times index and the Dunn & Bradstreet index. You take your choice and pay your money. Of course the general price level, I suppose, is what? -- somewhere around 80 or 82 of the 1923-5 level, isn't it?

Q 80.2.

Q Of the 1926 level.

THE PRESIDENT: 1926 level.

Q Is there anything you can tell us today on the Russian situation?

THE PRESIDENT: No, nothing today.

Q You are going away tomorrow?

THE PRESIDENT: Yes. There will be something from the State Department, I think, soon.

Q Have you approved an allotment for the Natchez River Bridge in Texas?

THE PRESIDENT: I do not know.

Q Mr. President, in that connection can you give us your ideas on the Florida ship canal?

THE PRESIDENT: The Florida ship canal, the status is that we are going to

go ahead and do a certain amount of work purely on an unemployment basis. Senator Fletcher and some of the others wanted an allocation of a large sum, fifteen or twenty million dollars, I think. We cannot give anything like that amount but we probably will do three or four million dollars worth of useful work solely on the basis of giving employment.

Q Mr. President, is it true that, as claimed in Collier's, George Creel's article tells what you intend to do?

THE PRESIDENT: I do not know; I have not read the article.

Q One thing he says you want to balance the Budget with half a billion surplus in 1939?

THE PRESIDENT: I cannot comment on an article I have not read.

Q Is he in a position to tell? They say he is.

THE PRESIDENT: I cannot tell; I have not read the article. That would be highly dangerous if I created that precedent.

Q They tell the readers he is an old and a good friend of yours.

THE PRESIDENT: He is a very old friend of mine; that is true.

Q Have you signed the Tax Bill?

THE PRESIDENT: Not yet.

Q You will sign it tomorrow?

THE PRESIDENT: Yes, probably tomorrow night.

Q Will you sign the T. V. A. Bill, Mr. President?

THE PRESIDENT: I am waiting for one or two people to come in and watch it signed.

Q You have not signed the Rivers and Harbors Bill?

THE PRESIDENT: Not yet.

Q And the Neutrality Bill?

THE PRESIDENT: Not yet.

Q Will you say when you will consider the Neutrality Bill?

THE PRESIDENT: Tonight or tomorrow morning. I will get rid of nearly all of them. Of course one thing that takes a good deal of time now is the vetoes because on every one I have to dictate a memo giving the reasons for it. I don't have to, but I do it.

Q The Buffalo sewage disposal plant, calling for an allocation of 15 million dollars, is one of 386 projects turned down by the P. W. A. Can you tell us what is likely to happen to these projects turned down?

THE PRESIDENT: No, I do not know.

Q It was because the unit cost per man was too high.

THE PRESIDENT: I think it was sent back for restudy, to try to get the unit cost down. That is my recollection.

Q Will they have to be in under the September twelfth deadline just the same?

THE PRESIDENT: I think so, and I think you have plenty of time.

Q To get back to the Guffey Coal Bill for a moment, I believe that the operation of that Board was to be financed by an appropriation in the third Deficiency Bill that failed to carry. Have you found a way to get around that?

THE PRESIDENT: I think we will be able to get around the absolutely necessary part of the administrative expenses. You see, it does not require a very large administration and I think that the Labor Department will be able to help them out and possibly N. R. A., and it will be able to give them enough staff so that they can get everything ready for their announcement of a code. As I remember it, the first job they had is to promulgate a code. I think they will get enough staff to

carry that part through. Of course it will be a very small staff.

Q Will it be necessary to attach some of those employees to other departments, to ration them out?

THE PRESIDENT: I do not know. You will have to ask the Comptroller General. Some of them, I think, can be loaned from the Labor Department. I do not think it will mean taking on any new people.

Q Anything in the housing situation about which you could comment, the general housing situation?

THE PRESIDENT: Which part? Do you mean the Federal Housing Administration?

Q Yes, sir, and I think the other housing. I think there are some developments expected very shortly.

THE PRESIDENT: Of course the Federal Housing Administration is getting on very well in the volume of actual loans going out every day. They are running about an average of 3 million dollars a day, something along that size, and it undoubtedly is helping to speed up general construction all over the country. The insurance companies are showing an increased activity in coming in under those loans and are lending their money.

Q Have you approved the allocation of Navy ships to be built in Navy Yards? There are eleven out of that twenty-four to be built in Navy Yards and I understand --

THE PRESIDENT: (interposing) Only tentative approval because we have not signed up yet with the private bidders and, of course, the Navy allocations must be more or less dependent on the private contracts being put through. They are working now on a labor clause -- several conferences going on -- to go into the private contracts. I suppose it will be another four or five days or a week before they get that

clause agreed on.

Q Do you mean, speaking of Russia, that there would be nothing further today?

THE PRESIDENT: I do not think there will be anything today for it. There might be something tomorrow.

Q Can you tell us what the labor clause is?

THE PRESIDENT: It covers collective bargaining and it covers the determination, in accordance with the old standard clause that they used to have in, as to whether a strike is avoidable or a delay arising from any other cause is avoidable and, under the old contract, that determination was made by the Secretary of the Navy. So, probably, something along that line will be included in the new contracts. That was the old standard clause for years.

Q Will it be with the Secretary or the Labor Board?

THE PRESIDENT: Probably the determination as to that would be with the Secretary but the question of collective bargaining would be the Labor Board.

Q Mr. President, do you plan to balance the budget by 1939?

THE PRESIDENT: Now, really, that is an awfully leading question.

Q That is an "if" question.

THE PRESIDENT: I don't know who is going to be President in 1939. (Laughter)

Q That's fair.

Q Does the situation created by the defeat of the deficiency bill look any better now than it did a few days ago?

THE PRESIDENT: No, it does not. Of course the major item was 66 or 72 or 76 million dollars to start the old-age pensions into actual operation and we cannot use that money for those expenditures. That

seems perfectly clear. On the other hand, the purely administrative expenses for various new boards, we can probably get that going in a preliminary way -- only in a preliminary way -- so that they will be ready to function fully by January.

The other large item in there, payments of claims, that cannot be paid until we get a new appropriation.

Here is a rather interesting example of cooperative suggestion, a telegram from Mr. Robertson, International President of the Brotherhood of Locomotive Firemen and Engineers. They were meeting -- they had a meeting of their Executive Committee. The Brotherhood offered to loan the United States Government the amount necessary up to one million dollars to establish the Retirement Board and set up the machinery for its administration, such loan to be offered for a period of one year. With much regret I had to telegraph Mr. Robertson back that I deeply appreciated his telegram and the offer of a loan, but the laws governing the receipt and disbursement of Government funds and the incurring of Government obligations makes acceptance of his generous and patriotic suggestion impossible. At the same time he will be pleased to know that we hope to work out a plan to begin the far-reaching activities authorized by the Act and that we hope that Congress will provide sufficient funds when it convenes in January next.

Q What are his initials?

THE PRESIDENT: D. B. He is International President of Locomotive Firemen and Engineers.

Q Is that Robertson or Robinson?

THE PRESIDENT: Robertson.

(The Press Conference adjourned at 4:12 P.M.)

CONFIDENTIAL
Press Conference #235,
Held in the Study of the President's Home,
at Hyde Park, New York,
September 4, 1935, 11.00 A.M.

Q You were speaking of Grover Cleveland. Hasn't he the record of the White House also for vetoes?

THE PRESIDENT: Yes. Of course that was caused mostly, in those days, by the very large number of what they called private pension bills.

Q Civil War pensions?

THE PRESIDENT: Yes.

Q You are getting a bunch of them.

THE PRESIDENT: Yes. These that come are mostly for individuals -- private.

All you had to do in those days was to get hold of John Henry Ketcham, who served in Congress here from 1864 to 1910 or 1908, with one term out. He was beaten once. The old boy was the Colonel of the Dutchess County Regiment, and all you had to do was to get hold of him and he would introduce a private pension bill and he nearly always got it through.

Q That kept my father in cigars for quite a while too, pensions.

THE PRESIDENT: A great thing. The old boy was very deaf. Of course, before the Civil Service days, he would go into the Secretary of the Treasury and he would say, "Mr. Secretary, I have a beautiful, nice girl from Dover Plains who has come down here and I want you to give her a job."

(And the Secretary of the Treasury would say,) "She has to take her place on the list and the list is pretty long. It would probably be a year or a year and a half before she could be placed."

And he (the Congressman) would say, "Thank you, Mr. Secretary, I will have her report right away. She will report within the hour. Who do you want her to report to?"

And the Secretary would say, "I can't take her." "That is perfectly grand, Mr. Secretary. She will be here in an hour."

And she always got there; no getting away from that. (Laughter)

He had a great combination. He was a great friend of Chauncey Depew's and he had a game all through this district. Whenever any family of Democrats was growing up, father a Democrat, four or five or eight or ten children -- we had a family in the village, father and mother Democrats, and there were ten children. The first one got to be eighteen or nineteen years old and he drives in with a horse and buggy one day and says, "Don't you want that boy to get a good job?" He had three places -- he had all the places in the world: he had the Government in Washington and the Customs in New York, and, today when I come in on a steamer, I can always find a Dutchess County boy. There are lots of them. They are up around the top now. (Laughter) And then there was the New York Central.

Q The name was Ketcham?

THE PRESIDENT: Ketcham -- John Henry Ketcham. Third was the New York Central. He was a great friend of Chauncey Depew and could place anybody on the railroad.

Q I would like to match him with Reed Smoot.

THE PRESIDENT: I think the only thing I have got today is the third of a series of Executive Orders -- I just signed it -- which places seven more government agencies under the Bureau of the Budget in relation to all administrative expenses. Steve (Mr. Early) will

give you a copy of it. They are the Agricultural Adjustment Administration, the Commodity Credit Corporation, the Federal Co-ordinator of Transportation, the Federal Emergency Administration of Public Works, the Federal Emergency Relief Administration, the National Recovery Administration and the Tennessee Valley Authority.

MR. EARLY: That is the third and final Order.

THE PRESIDENT: That is the third and final Order, and it means that these groups have got to clear through the Budget all administrative expenses after the 15th of October. The first group, as I remember it, was the 15th of September. The second group was the 1st of October and this group is the 15th of October so that, by that time, it means that we will have a complete check on all administrative expenditures for every one of the twenty agencies and commissions that are outside of the regular departments. It will mean a check to prevent overlapping, to cut down on unnecessary personnel and it means also that so far as the emergency part of the work -- of course we had to set it up quickly in order to get results -- that part is over and from now on they have got to budget in accordance with best budgetary methods. That means also that they have to cut down their personnel as fast as the emergency part of the work slows up or stops. For example, although it does not happen to be among these, the Home Owners Loan Corporation is gradually becoming a management corporation. The date for making applications for new loans is past. They are now engaged in cleaning up all of the final obligations. After the final loans have been made -- in fact during the process of making final loans, which will be for a few months longer and that is all -- they will begin to change their personnel

from an appraisal and loan-making personnel to -- I don't like the word "collecting" -- what is the word? It will be a management corporation which will see to it that properties are kept in repair, that the interest and amortization on the loans are paid. That means a gradual reduction in personnel.

Take NRA: We had 4900 employees in May. That has been cut to about 3300 but it has got to be further cut.

That is a straight administration problem and the Director of the Budget, from this date on, will check the necessity and the salary of every employee. We will do that in all twenty agencies.

Q Does that mean you regard the emergency as over?

THE PRESIDENT: I am not talking about that. The peak of the emergency work is over, yes.

Q Is Works Progress Administration under this?

THE PRESIDENT: Yes. It is not down in this but it actually comes under it.

MR. EARLY: I think it has been covered, sir.

THE PRESIDENT: I think so, but I am not sure. In any event, it is in.

It may be in here under FERA or it may be in the last order, I have forgotten which.

Q You mentioned enough details there to suggest that you might be able to give some figure on the possible cut in employees.

THE PRESIDENT: I cannot do that until January. We haven't gone over that yet. That is a budgetary matter. The Budget will be doing that between now and the sending of the estimates to Congress and they will make, undoubtedly, some very substantial cuts.

Q There was some talk that when the preliminary work or the first phase of the work of the HOLC was over and it becomes a management cor-

poration that the whole business might be turned over on some sort of basis to a private agency of that kind.

THE PRESIDENT: For private profit?

Q Yes.

THE PRESIDENT: No.

Q I supposed it would have to be a very small percentage.

THE PRESIDENT: They would hardly take it otherwise. Why should we do a thing like that?

Q I didn't think so, except possibly they wanted it.

THE PRESIDENT: Of course, undoubtedly when these various credit agencies get into the management stage there will be -- I cannot tell yet when or what the exact form will be -- a consolidation of management to a very great extent. That also will save money. The actual operating costs are not very high. When it comes to management, to the management end, they will not be any higher than the average private business which does exactly the same thing. You take, for instance, one of the mortgage companies -- take any big mortgage company, it always figures a certain percentage for management and probably the Government percentage will be approximately the same.

Q Mr. President, do you feel in general that these emergency agencies have satisfied the purpose for which they were created, now that the peak is past?

THE PRESIDENT: The easiest answer to that is that there are some simple figures. There have been about a million home owners of the United States who, through just one agency alone, the HOLC, have had their homes saved from foreclosure.

There have been about a million farms in the United States

where the farmers have had their homes saved. There have been about -- I have forgotten the exact figures -- about seven thousand banks that have been saved from going under. That is just to cite three very obvious examples. I think that answers the question.

MR. EARLY: In addition to saving them, you have given them a national rate of interest for the first time.

THE PRESIDENT: That is a different story. Then you take the cost to home owners and depositors, farmers and people going into housing operations. The cost of their borrowings in the past has run altogether too high and that has been reduced on the average probably about 2%, which is not a bad record, besides which it keeps the original owner of the property still in possession instead of having it foreclosed and going into the possession of somebody who will sell it at a loss and throw the fellow out.

Q Is there anything you want to say further on this Ethiopian situation, that is, the cancellation of the oil leases?

THE PRESIDENT: No, I think it has got pretty full stories from Washington.

Q It was a good piece of diplomacy.

THE PRESIDENT: A good job. Of course you can -- if I were writing the story, I would put it this way: that by no stretch of the imagination has the President or the Secretary of State ever been the least bit concerned over the possibility of this oil lease involving the United States, in any shape, manner or form in the Ethiopian or Italian problems. Nobody who knows the Administration policies could think for a minute that there could be involvement. The only danger lay in the effect of the oil lease on the negotiations between European powers and Ethiopia that are now going on in Geneva.

And of course the result yesterday of the withdrawal from the concession has been a fine thing because it has cleared the air of those conferences. And then, if I were going to write one more paragraph, I would put it this way, "that this is another proof that since March 4th, 1933, dollar diplomacy is not recognized by the American Government." (Laughter)

Q May we quote that?

THE PRESIDENT: I think you could quote that.

MR. EARLY: Just that one sentence.

THE PRESIDENT: Since the 4th of March, 1933, dollar diplomacy is no longer recognized by the United States Government.

Q Are you sure that this was dollar diplomacy and that there were no other currencies involved? (Laughter)

THE PRESIDENT: Off the record, I would say that that would depend on the rate of exchange.

Q Would you be willing to answer the question that neither is the pound sterling diplomacy going to be recognized? (The President did not answer.) (Laughter)

Q As I get it, Mr. President, this means we are not interested --

THE PRESIDENT: (interposing) Wait a minute -- as you get it! (Laughter) Off the record, again, I had a very amusing time night before last. One of the more important people said, "You know, it is perfectly clear what it is. This fellow Rickett is an intimate friend" -- this is off the record but it shows the flight of imagination people will take -- "Rickett is an intimate friend of the Italian baron who shot himself out hunting the other day. And the Italian baron is the son-in-law of the British Minister to Ethiopia, so you get a perfect

triangle, do you see?" And I said, "That is very ingenious. What is the next step?" "That is simple. The Italian baron has got hold of his intimate friend, Rickett, and he has told his father-in-law, the British Minister. Rickett comes in and gets the concession and then, when the time comes, he turns it over to the Italian baron, who turns it over to Mussolini. His face is saved and the baron has dropped out. You all fell down."

Q This fellow Rickett did refer to his "old friend Mussolini" when he announced it.

THE PRESIDENT: Yes.

Q Anything about your talk to General MacArthur, Mr. President?

THE PRESIDENT: We talked about the Army -- we talked about going over to the Philippines.

Q When does he go?

THE PRESIDENT: The end of this month.

Q Has a successor been decided upon?

THE PRESIDENT: No.

Q Would it be a bad guess if we were to guess General Craig?

THE PRESIDENT: I couldn't guess because I have not made up my mind.

Q What do you expect to talk to General Farley about?

THE PRESIDENT: I am awfully sorry to have to tell you -- some people are so far out on the limb I don't know how they are going to crawl back. The trouble was that I changed my plan. If I had been writing the story again, I would have said what would probably be true -- which is a dirty dig, a damned dirty dig -- I would say that probably Jim didn't go on a political trip. Of course he talked to a few people, but the primary object of the trip was to have a damned good time

taking his Missus out to Hawaii. I do not think we will talk politics. I think he will tell me all about the trip. I do not anticipate for a minute that we will talk politics any more than the stories are true when I go out on the SEQUOIA with the Comptroller, that we solemnly talk about the affairs of the Government and the Comptroller Generalship. That is a lot of bunk. So don't get bunky. It is not done. After all, news is news. The same way Kelly is coming here. I am not going to talk politics with Kelly. I am going to talk public works for Chicago.

Q Anything in particular for Chicago, Mr. President?

THE PRESIDENT: No, they got four or five projects down there. They got the Exposition; they are making it permanent. They got the airport. They got some school developments and they got the continuance of -- what is it? -- of the sewage disposal plants.

Q That is the Supreme Court decision.

THE PRESIDENT: Part of that, yes. And we are faced there with another thing. It shows how you always ought to have a little money in reserve. The War Department Engineers brought in the other day an estimate and a demand of about a million and a half dollars for control of the Chicago River. They suddenly discovered that the Supreme Court decision calls for the limitation of water -- I have forgotten the exact date, to 1937.

Q The first limitation.

THE PRESIDENT: The first limitation and, unless they start the work now, they won't get it done before the Supreme Court decision goes into effect. That hit me pretty heavily because it is an operation where the cost per man is very, very high, so I have cut them a little

and gave them about three-quarters of what they asked on general principles.

Q That is a million?

THE PRESIDENT: I have forgotten what it is. Those figures are not correct but it is somewhere around that.

Q The original estimate was over a million dollars by the War Department Engineers.

THE PRESIDENT: You had better check the figures somewhere. I think it was a million and a half.

I do not think I have anything else in the way of appointments. Mr. Broughton of Michigan is coming at 11.30. That is a long standing thing. He wanted to see me and I have had him on the appointment list for the last six months. His initials are C. E. He is editor of the Sheboygan Press.

Q (Mr. Storm) A client of ours, Mr. President.

MR. EARLY: That is Wisconsin.

Q He is National Committeeman.

MR. EARLY: He is and has been.

THE PRESIDENT: You had better check up and see if he is.

Q Jerry Mahoney?

THE PRESIDENT: Jerry Mahoney, and then Kannee has listed here Vincent Dailey, Kelly, the Postmaster General and Robert Jackson. Vincent Dailey wanted to see me for a long time, and this is the Jackson of the Treasury (Department).

Q Internal Revenue?

THE PRESIDENT: They have no connection whatsoever with the visit of the Postmaster General and Mayor Kelly. Kannee has them down all at the

same time but there is no relationship.

Q What is Dailey coming up to visit about?

THE PRESIDENT: He has not seen me for two months.

Q Who is Jerry Mahoney?

THE PRESIDENT: He is the Supreme Court Justice in this State. He used to be in the Legislature in the old days. He is head of the Olympic Games Committee. I am not quite sure, but he does not want to talk about Americans in the Olympic Games. So don't get out on a limb on that. (Laughter)

Q (Mr. Roddan) They had forgotten all about Ethiopia and everything else.

Q (Mr. Young) That's down Hearst's alley, Eddie (Mr. Roddan).

MR. EARLY: After all, his name is Mahoney.

Q Is it Jeremiah?

THE PRESIDENT: Jeremiah, yes. Jeremiah T.

Q We have had queries about twice a week for the last month down in Washington as to when Jerry Mahoney was going to see you about the Olympic Games situation. He has an appointment sometime?

THE PRESIDENT: I am quite sure he wrote about something entirely different.

Q He has a little battle on with Tammany (Hall). He is running for District Leader.

THE PRESIDENT: Is he, really? Maybe he is going to talk to me about that.

MR. EARLY: It won't be political.

THE PRESIDENT: No. (Laughter)

I am not sure about tomorrow. We have Jim Townsend, County Chairman of Dutchess County. I don't know what he is going to talk about. He is going on his vacation in the afternoon. He wanted to see me before he went on his vacation.

Your old friend, Congressman Sirovich, is coming tomorrow.

Also Maldwin Fertig, my old Counsel in Albany and Judge Murray Hulbert, whom I have not seen since I appointed him to the District Court bench.

Q Mr. President, what time is Jim Townsend coming up to see you tomorrow?

THE PRESIDENT: He is coming up tomorrow at 10.45.

Q Is that going to be political?

THE PRESIDENT: I do not think so. He is going to tell me about his vacation, which he is leaving for in the afternoon.

Q Anything else Dutchess County would be interested in in addition to General Ketcham -- is he a general?

THE PRESIDENT: Oh, my, yes.

Q They were going to build a monument to him at one time.

THE PRESIDENT: They have one over in Dover Plains, haven't they?

Q I don't know. I think the money is still in the First National Bank.

THE PRESIDENT: What ever happened to the money that John Mack and I raised for a monument to old Dick Connell?

Q I don't know. There is no monument. I don't know anything about it.

THE PRESIDENT: There is a good story for you. Ask John Mack for a story on it. Where is the money? I know we raised a thousand dollars.

Q Mr. President, we have had a good many inquiries about your plans for a trip to Whiteface. Do you care to say anything about that?

THE PRESIDENT: I have not made any plans. I don't know whether I am going or not.

Q That would be next week, wouldn't it?

THE PRESIDENT: Yes.

Q That would be a long drive.

THE PRESIDENT: I think it will be by train. It is an awfully long drive.

I think you would be more comfortable if you went up by night train. I have not gone as far as that. I have only appointments two days ahead.

Q It would be the fourteenth?

THE PRESIDENT: Yes. It depends on how things crowd in. If we are awfully rushed, I don't know.

Q Is Governor Lehman coming down?

THE PRESIDENT: Yes.

Q We have had another challenge issued by Lowell Thomas and we are going over there Sunday, and of course if you will be busy we will be busy.

THE PRESIDENT: It is perfectly safe. We will put the lid on Saturday after the Morgenthau party.

Q By the way, we got a letter from Lowell Thomas and he expressed the hope that you might be able to drive up.

THE PRESIDENT: I do not think I can on Sunday. We have a lot of neighbors coming in.

Q He mentioned something about you mentioning to Casey (K. C.) Hogate that you might go there.

Q You don't go to Sunday ball games anyway.

THE PRESIDENT: I don't go to Sunday ball games? (Laughter)

Q Stevie (Mr. Stephenson of A.P.) had to go on the defensive, playing left field.

THE PRESIDENT: Over the fence and out.

Q You know what they did with our star first baseman (Al Waldron of Fox Movietone)? They sent him to Ethiopia.

THE PRESIDENT: Did they really!

MR. EARLY: He has gone over for the Fox Company.

Q That just ruined the team.

THE PRESIDENT: This year Eddie (Mr. Roddan) will be able to run for himself all right. How you ever got around to second on the one leg, I don't know. It was pretty good.

Q I hate to break it up, but we are much obliged to you.

THE PRESIDENT: I do not think there is any news but we did very well.

Q Very well.

THE PRESIDENT: I was wondering a little bit about Friday. It is a hell of a nuisance for me to stay in for it. (Referring to the fact that the Friday Conference is usually held late in the afternoon.) Make it in the morning and hold it for release.

Q Yes, Mr. President.

THE PRESIDENT: Unless it is a bad day. In that case we can have it at four o'clock in the afternoon.

Q It would be much more convenient for us.

THE PRESIDENT: That is what I thought. As long as it is a small crowd we can hold for it.

MR. EARLY: Yes, they can clean up Friday to Monday morning.

THE PRESIDENT: I think it is all right. Then we will make it Friday morning.

Q The same time?

THE PRESIDENT: Yes.

Oh, where is Ernest Lindley and also Charlie Hurd?

MR. EARLY: Tell them all about it.

THE PRESIDENT: This really is awfully amusing. The National City Bank gets out its monthly report, you see, on conditions. And here is the headline of the New York Times -- mind you, the story is written

about exactly the same report. (Reading)

"City Bank visions wide fall gains. Monthly letter says business made more than seasonal advances in August. Stock prices are higher. Rise interpreted as evidence that easy money is working into economic situation."

Then the lead:

"General business made more than the usual seasonal advance in August and the markets all gave evidence of a further strengthening of confidence in the fall outlook, according to the September monthly bank letter of the National City Bank of New York. Retail business, it is pointed out, is running steadily ahead of last year."

Now, the average person reads just what I read and that is all.

The Herald-Tribune, on the same story: (Reading)

"Grave dangers ahead, bank letter warns. Jobless, huge U. S. outlays held ample evidence of disrupted organization. Foreign stability doubted. National City cites uncertain status of AAA."

Then the lead:

"Although business reports during August have continued of an encouraging character, the National City Bank, in its current monthly letter, points out that there are grave dangers ahead. However, the immediate trade situation is not in danger, the bank letter points out, holding that the emphasis for the time being is on the increased farm income this fall and the rising activities of the industries."

Don't you think it is a scream?

Q Unlike the Times, the Herald-Tribune does not express consternation that the country may go to pieces if you absent yourself from Washington.

THE PRESIDENT: Not yet. Don't you think that is amusing, written on exactly the same story?

Q (Mr. Roddan) Anything in the Hearst Press?

Q (Mr. Hurd) It is too heavy for them, Eddie. (Laughter)

THE PRESIDENT: I have to admit that I do not subscribe to the Hearst Press up here. I don't get it.

Q (Mr. Roddan) It is a mistake. It is the only one that gets you on the front page this morning. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #236,
Held in the Study of the President's Home,
At Hyde Park, New York,
September 6, 1935, 11.00 A.M.

THE PRESIDENT: Ernest (Mr. Lindley), you are looking very pale.

Q (Mr. Storm) Good morning, Mr. President.

THE PRESIDENT: You are looking good. You will have to take Ernest out and give Ernest a sun bath.

Q (Mr. Storm) If you will provide the sun I will take care of the sun bath.

THE PRESIDENT: They have a good nudist colony across the river.

Let's all understand that this is a morning paper Conference. The only news is that I have just signed -- he does not know it -- the commission of Stewart McDonald to be Federal Housing Administrator. He is coming in to lunch so don't --

Q (interposing) I am sorry; we have already done that.

Q Don't give us more news than that. We will get out and tell him now.

THE PRESIDENT: That is all I have got; I am sorry.

Q I have a reply from John Mack to your query of the other day. The money was used.

THE PRESIDENT: Have they a tablet?

Q No, they haven't, but John Mack today said he would get a big boulder from his place and have a bronze tablet to be put on it. He will contribute the money to it and also the boulder.

Q That is Dick O'Connell?

THE PRESIDENT: Richard E. Connell, not O'Connell.

Q Can you give us some idea of what you talked with the Mayor (La Guardia) about?

THE PRESIDENT: Public works.

Q Did he discuss the referendum he is having in New York City?

THE PRESIDENT: No, public works -- P.W.A. and W.P.A.

Q In that respect, the afternoon papers have to write a story that he was here. Any particular reason we should not?

THE PRESIDENT: No.

Q What did you discuss with the gentlemen from Wisconsin (Senator and Governor LaFollette)?

THE PRESIDENT: We discussed the Wisconsin public works program.

Q What has been holding that up? I thought the allotments went through so well.

THE PRESIDENT: Only part of it, something like $13,000,000. went through. They should get about --

Q (interposing) $70,000,000.?

THE PRESIDENT: Yes.

Q Wasn't there a condition attached that they are having difficulty in fulfilling -- state contributions, or something like that?

THE PRESIDENT: No. It is going along like other states, no difficulty.

Q The papers were interested in the Florida hurricane deaths -- why no precautions were taken. Anything you can tell us along that line?

THE PRESIDENT: Nothing more. No more news than we have.

Q I see by this morning's paper that they are burning the bodies down there.

THE PRESIDENT: I do not think so. Certainly they are doing everything by order.

Q They were doing it on the theory of stopping pestilence.

THE PRESIDENT: I did not see any story that they were actually doing it.

MR. EARLY: I didn't -- actually burning?

Q It is an A.P. story right here: (reading) "Florida Burning Dead."

Q (Mr. Stephenson, representative of A.P.) It is not an A.P. story.

Q (Dick Lee representing the New York Daily News) I will bite. It is written from the A.P.

THE PRESIDENT: Dick, pin it on him.

Q (Mr. Stephenson, reading) "Special to the News;" written in the office.

Q (Mr. Lee) That is right; we had to improve the literary quality of it.

Q (Mr. Stephenson) That is all you had when you went to press.

THE PRESIDENT: That is all right. I will have you both up here before an investigating committee. (Laughter) We will get Colonel Ijams to subpoena you both and we will get the truth.

Q (Mr. Stephenson) Suits me.

Q Are you through with vetoing bills -- all cleaned up?

THE PRESIDENT: Not yet; some more coming.

MR. EARLY: About eight left.

Q Are we apt to get any today?

THE PRESIDENT: Yes; I sent a whole flock down.

Q Any of those long memorandums coming out?

THE PRESIDENT: Yes, several more.

Q They are actually pocket vetoes, aren't they? But you just issue a statement. In other words, you are not limited to today or Monday?

THE PRESIDENT: It is a thing you can argue backwards or forwards. Theoretically, you are right. The only method you have is a pocket veto. But, like at Albany, I go on the assumption that although it is technically a pocket veto, instead of letting the thing lie without anything, I take the opportunity to say I have positively disapproved, instead of negatively letting it die.

Q You can issue a statement any time?

THE PRESIDENT: That is right, I can issue a statement any time. I can do it before the 10-day period is up or after.

Q Have you had any reaction to your interchange of letters with Roy Howard?

THE PRESIDENT: No, only a telegram from him.

Q How did he receive it?

THE PRESIDENT: He said he hoped he was going to have a good play.

Q (Mr. Roddan, representing I.N.S.) How about a letter to Mr. Hearst?

(Laughter)

Q (Mr. Stephenson) Let's have something we can write.

Q (Mr. Roddan) He (indicating Mr. Stephenson) admits the A.P. would not carry it.

MR. EARLY: He means something he can print.

THE PRESIDENT: You mean something you can print. That is all right, Stevie (Mr. Stephenson).

Q Have you decided on a new Chief of Staff?

THE PRESIDENT: No, not yet. I probably won't for a couple of weeks, around the end of the month.

Q Any more visitors?

THE PRESIDENT: Mr. and Mrs. Moffett and Stewart McDonald. Harry Hopkins is here. Keith Morgan is here about the Warm Springs Foundation.

Q Is Hopkins going to stay overnight?

THE PRESIDENT: Harry is here for a rest. Don't say he has been sick, I decided it would be better for him to come up and spend a week end. There isn't any more significance than that. I think he is going in with Henry (Secretary Morgenthau). I did not expect him this morning -- he was going to fly up with Secretary Morgenthau.

MR. EARLY: I asked the White House about Mac (Mr. McIntyre) and the White House said that Mac had left on the midnight train last night with Harry Hopkins.

Q The dispatches from Washington this morning indicate that the Works Progress Administration is throwing out, by the wholesale, P.W.A. proposals on the ground that they are not properly suited or the amount --

THE PRESIDENT: The power isn't there?

Q Or the cost is too high, one or the other. At least our story indicated that the Public Works people were quite up in arms about the thing.

THE PRESIDENT: I think you will find a good deal of collusion between them, off the record.

Q There has been only $125,000,000. of P.W.A. grants so far and the dead line is getting very near.

THE PRESIDENT: Of course the whole difficulty is that there is a great difficulty in these cities qualifying. I do not mean qualifying from a financial point of view; I mean they have to qualify on the cost view and also on the number of people needing relief. There are a lot of communities, for instance, where they haven't any skilled workers to put on these P.W.A. projects and a P.W.A. project is very apt to require a good deal of skilled work. It depends entirely on your locality and on the individual project.

Q I realize the difficulty.

THE PRESIDENT: You cannot get a rule of thumb on it.

Q But, at the same time, there are apparently a lot of things there that cities want to put up, that are needed, and where they fail to qualify.

THE PRESIDENT: They have to come within the limitations of the appropriation.

I would like to do nothing but these fine jobs but, after all, that does not conform to the appropriation. It would be much better to put up permanent buildings and bridges and East Side highways, et cetera and so on, but it just cannot be done. We are trying to spend this money this year, within the year, and it is very difficult for them to qualify. That has been the simple fact from the beginning. There is nothing new about it.

Q But suppose, at the beginning of the next session of the Congress, you find you need an appropriation for next year for work relief, then whether all this particular money is spent within this year or not, it becomes necessary that you make a new request? You have a continuing program then?

THE PRESIDENT: That is a thing you cannot take into consideration at the present time because we do not know what we are going to recommend at the next Congress. That is a purely suppositious thing. I cannot suppose. That is logical.

Q The supposition is that there will be some need for the unemployed who will still be there. At any rate, you don't suppose that the improvement is going to be sufficient to wipe out unemployment altogether?

THE PRESIDENT: I have got $4,000,000,000. That is all I have got and I have got to spend that $4,000,000,000. and I won't be ready to make a recommendation until January, when the Congress meets.

Q Has the status of the slum clearance been definitely cleared up? Is that exempt from the requirement that the work must be completed within this year?

THE PRESIDENT: Yes and no. If slum clearance cannot start until this fall -- actually start -- we must stop.

Q That means actual construction to start this fall?

THE PRESIDENT: Well, practically, yes. Before the turn of the year.

Q Mr. President, in the matter of news for tomorrow --

THE PRESIDENT: (interposing) After all, that is not news either because that has been the story from the beginning. I said that a dozen times. On slum clearance, any project to start next summer is out and always has been

Q In several of his press conferences, the Public Works Administrator said he felt that the housing was exempted from those general rules on account of the difficulty of getting plots.

THE PRESIDENT: We haven't got enough money -- we are coming to the question of financing -- much as we would like to do it.

Q On Wisconsin, do you think there will be a chance of getting some more money out there for their program?

THE PRESIDENT: More than what has been allocated already?

Q Yes, sir?

THE PRESIDENT: Oh, my, yes.

Q What news tomorrow? What else are you going to do?

THE PRESIDENT: Practically nothing. You can put the lid on now. I don't think I have anybody coming in tomorrow.

Q The man behind you has an evil eye.

Q It is getaway night for him.

THE PRESIDENT: Steve (Mr. Early), I haven't any appointments tomorrow?

MR. EARLY: No, sir; Henry Morgenthau's picnic.

Q Can you tell us anything about your plans for Sunday -- give us an idea?

THE PRESIDENT: I will go to church in the morning and play around the rest of the day. Nobody coming.

Q Any instructions to the team before we travel over the hill? (Referring to the baseball game)

Q Keep in training.

THE PRESIDENT: That is a good idea. I wish I could get there and umpire -- sit in a chair back of the pitcher.

MR. EARLY: No. If you got hit in the head with the ball somebody would have to write that story.

THE PRESIDENT: If I caught it, that might be a good story too.

Q We might take two balls with us. (Laughter)

Q Never saw him muff.

THE PRESIDENT: That is pretty good for a man of Russell's age. (Laughter)

Q (Mr. Young) I am three months younger than you. (Laughter)

Q Mr. President, we have not heard from Lowell (Mr. Lowell Thomas) about Sunday's game. I suppose we are going. We sent him a wire but we have not heard. If possible, we would like, on one of the succeeding Saturdays, to invite him back.

THE PRESIDENT: Do you suppose Oggie (Mr. Ogden Mills) would let us use his private golf course?

Q If you take the fence down.

MR. EARLY: He will let the newspapermen use it.

Q Is that the field we used last year?

THE PRESIDENT: Didn't you know that? Sure it was his field.

MR. EARLY: Ask the Press to ask for the use of the grounds and then you go over and see if they keep you out.

Q Ed Starling did it last year.

THE PRESIDENT: You will have one more Saturday anyway, the 21st.

Q You won't do anything definite before the 21st?

MR. EARLY: I would not shoot at the 21st.

Q Why? Is it dangerous to invite them over here?

Q Saturday the 21st -- all right.

THE PRESIDENT: I think it would be fine. They could come up in the afternoon.

Q Will you be making any trips over the week end?

THE PRESIDENT: I do not think so.

Q Did the Mayor see the La Follette boys here?

THE PRESIDENT: No; they left at half past 10.

Q I thought you might be interested in this from the Washington Post (showing the President a cartoon).

THE PRESIDENT: That is good, too. It is a pretty good likeness. I think it is a scream. Don't you love it? That is awfully good -- you bet it is only the beginning.

Q No further business?

Q All set.

Q You certainly kept us up late last night, but no complaint.

THE PRESIDENT: It was a good story. Quiet Stevie's (Mr. Stephenson's) nerves. I am in the business of quieting nerves.

Q It was very clear.

MR. EARLY: You know what Eddie Roddan and George Durno (representing the Hearst newspapers) are going to do tonight? A new show opens across in the theatre opposite the Nelson House.

THE PRESIDENT: The Bardavon?

MR. EARLY: Yes. Marian Davies is making her first appearance and George and Eddie are passing flowers over the lights. (Laughter)

Q Talking about Dick Connell, Mr. (Judge) Mack told me at the time that Mr. Connell was going around the County making speeches, he would stop at every schoolhouse and deliver his flag speech so that when the school children grew up they would vote for him.

THE PRESIDENT: He did that in eight campaigns, that was sixteen years, and they

have all grown up and voted for him.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #237,
Held at Val Kill Cottage, Hyde Park, N.Y.,
September 11, 1935, 2:10 P.M.

(Mr. Frank C. Walker was present at this Conference.)

Q First of all, we would like to know about the visit of Father Coughlin yesterday. Can you tell us anything about it?

THE PRESIDENT: He came yesterday to lunch. Joe Kennedy called up and said he was going to bring him through from Albany on his way to Massachusetts. He came down and we had a nice visit. He stayed for lunch and then went on.

Q Where was he going?

THE PRESIDENT: Somewhere in New England.

Q With Joe?

THE PRESIDENT: Yes.

Q He reported, I believe, that it was he who informed you of Senator Long's (Huey Long, of Louisiana) death?

THE PRESIDENT: No. What happened was that he was present when Missy came in and said so.

Q Is he back on the reservation, Mr. President?

THE PRESIDENT: I don't know. It was a social visit.

Q That covers a multitude of conversation. (Laughter)

Q Could you help out on the conversation?

THE PRESIDENT: Just a social visit. Just that -- that is all.

Q That is bound to have a little significance of itself.

THE PRESIDENT: Chatting?

Q I thought so. (Laughter)

Q Did he talk about politics at all?

THE PRESIDENT: Just a social visit.

Q Is he coming back, Mr. President?

THE PRESIDENT: Not that I know of.

Q What about Kennedy's mission? Can you tell us anything of what is on his mind?

THE PRESIDENT: I have no idea, except to act as chauffeur, I guess.

Q How about the report about Farley (Postmaster General Farley)? I understand he telephoned today -- that he is resigning?

THE PRESIDENT: That is just good old Charlie Michelson. There is not a word of truth in it. Probably one of those brain storms in Washington.

Q Then Mr. Farley won't run the campaign? (Laughter)

THE PRESIDENT: The thing was never mentioned here.

Q Do you expect him to resign from the Cabinet?

THE PRESIDENT: You are getting "iffy," Ernest (Mr. Lindley).

Q There wasn't an "if" in there; there was a "when."

THE PRESIDENT: It is too "whenny."

Q Mr. President, what are you going to do about your Works Relief program?

THE PRESIDENT: This meeting tomorrow was arranged two weeks ago.

Secretary Ickes is coming tonight and we are all going to meet tomorrow. Colonel Hackett is coming, Corrington Gill is coming with Harry Hopkins, Frank (Walker) is here already, the Director of the Budget is coming.

This is the checkup that we have been working toward to get all of the figures synchronized and to agree and to find out how much we have got left out of the 4 billion. There is roughly a billion and a quarter unallocated. That may vary 100 or 150 million either way.

Then the second thing to be done is to check up to find out, as

to the money already allocated since the bill went through, whether any of it, and there will be some, cannot be usefully spent. That would be pulled back and put into the kitty, the general pot. Those are the figures we are going to go over tomorrow. It is the first time they have been definitely assembled.

You see, we are doing this preparatory to my going away. Then, the balance will be, as a general proposition allocated, tentatively of course because, as you know, we may want to pull some back. It will be tentatively allocated between two things we have left, which is PWA and WPA and a small portion for straight relief.

Q Is Hopkins coming here tomorrow?

THE PRESIDENT: I think he is going to be here tonight.

Q Is West coming?

THE PRESIDENT: Yes, he is coming. Charlie West and Harry Hopkins are coming up tonight.

Q Ickes said at his press conference -- he seemed to confirm the report of some days before that he is very unhappy about the Public Works project.

THE PRESIDENT: I have seen three separate stories and no two of them agree.

Q Those I have read may vary a little in the intensity of the grief, but the grief is there.

THE PRESIDENT: In the grief?

Q The good old Star (The Washington Star) had him coming up for a showdown.

THE PRESIDENT: That is because you were not in Washington. (Referring to Mr. Russell Young)

Q The A.P. seemed to take the same attitude on it, Mr. President?

THE PRESIDENT: You don't believe that, do you?

Q (Mr. Stephenson of the A.P.) If the A.P. said it, it was right.

Q (Mr. Dick Lee of the N.Y. Daily News) Even to the burning of the bodies.

THE PRESIDENT: Yes, even to the burning of the bodies. You are right. You were ahead of everybody that day.

Q (Mr. Lee) Always.

Q (Mr. Stephenson) He has imagination.

Q (Mr. Roddan) Will you have them both come down to see us tomorrow, both at the same time?

THE PRESIDENT: I don't know.

Q We will provide the gloves. (Laughter)

THE PRESIDENT: Do you think it will be safe, Frank?

MR. FRANK C. WALKER: Absolutely.

Q You have a referee here.

THE PRESIDENT: Yes, we have a referee here.

Q Do you expect Ickes to go on with this work?

THE PRESIDENT: Of course, although the A.P. story suggested that he would not.

Q You say some of this may be run back into the general fund. You mean for use on work relief?

THE PRESIDENT: Yes. To give you a simple illustration, we hung up on the peg for housing $200,000,000 --

MR. WALKER: (interposing) 224 million.

THE PRESIDENT: Well, it seems perfectly clear we cannot possibly spend that within the necessary time and we will take something back of that and add it on to something else. The same way with rural electrification.

MR. WALKER: Resettlement, electrification.

THE PRESIDENT: There was a hundred million and I doubt if we can spend it all. We might take 10 or 15 back, something like that.

Q While we are reviewing this, I thought we had better get something on

rural resettlement -- how much you are spending on Dr. Tugwell's --

THE PRESIDENT: (interposing) You have two things, the individual family proposition and the large rural community end of it. We cannot tell on that yet. We have an allocation of $200,000,000.

MR. WALKER: $131,000,000. --

THE PRESIDENT: (interposing) It is supposed to go to $200,000,000.

MR. WALKER: $131,000,000 so far.

THE PRESIDENT: It will depend a little bit, as we said, as to the expenditure of the balance, whether we will use it for the individual family, which in most cases is almost a relief proposition. We will lend them $20 to buy a plow with, or $40 to buy a cow with, or lend them the seed money, et cetera and so on. It is a lending proposition to the individual farm family. We do not yet know, and we cannot tell, probably for several months, how much that would have to run to for the balance of the year, so we do not know how much of that money can be transferred to these new communities, of which twelve or thirteen are actually under way.

Q You speak of "we." Did the Allotment Board --

THE PRESIDENT: (interposing) Yes, it comes down to me because I have to do the allotting.

Q At this stage do you anticipate spending the full $4,000,000,000?

THE PRESIDENT: Not all actually spent before the first of July.

Q Allocated?

THE PRESIDENT: A good many projects, like for instance, a schoolhouse -- it is almost impossible to complete the building before the first of July.

Q In view of the present pickup in business, as to which everyone seems to agree, isn't there a chance that it may be considerably less than

$4,000,000,000 that is required?

THE PRESIDENT: That depends on whether business, in picking up, employs as many people as it did before because one thing we have to remember is that during the five years of the depression business learned how to pull in its horns, how to save on its cost of production. The result is today that if we were to go back to the 1929 figures tomorrow we would probably use only about 81 per cent as many people in this country to produce the same amount of goods we did at that time. That is sometimes forgotten when we come to make up the picture. Hence the larger number of unemployed.

Q Business reports are very good, aren't they?

THE PRESIDENT: Yes.

Q Talking about hanging up on a peg certain amounts for this and that, can you tell me how much you had in mind for P.W.A. projects?

THE PRESIDENT: I did not have any figure.

Q Did Congress allocate a specific figure?

THE PRESIDENT: That was one of the items.

Q $900,000,000 or $950,000,000, wasn't it?

THE PRESIDENT: Yes. But, of course, remember this, that a great many of the W.P.A. items are really small P.W.A. projects. You put up a rural schoolhouse for $15,000, you do not put it in the same kind of engineering survey as one that costs $150,000., therefore on W.P.A. -- therefore it comes out of the amount, $900,000,000.

MR. WALKER: Out of that classification.

Q What about the Coal Commission?

THE PRESIDENT: I hope within a week.

Q Is there anything you can tell us on the international situation from your conversation with Ambassador Bingham?

THE PRESIDENT: No. Naturally, I have talked with him about it. I have talked with the Secretary of State two or three times. There isn't anything that has not appeared in the papers. Of course it is serious; you cannot deny the fact that it is serious.

Q Do you have anything for us separate from what we have asked? Anything that you could think of? Any news?

THE PRESIDENT: I do not think there has been anything.

Q Anything on that shipbuilding thing?

THE PRESIDENT: No, you get the shipbuilding story down there -- the clause that went into the contracts.

Q All right.

THE PRESIDENT: That came out there, I think.

Q On the public works, do I understand that you think most of them can be done more expeditiously under Works Progress?

THE PRESIDENT: No, it depends entirely on the project. After all, taking the same example, if you build a $15,000 wooden schoolhouse in the Village of Hyde Park or, let us say, at East Park, you put it under W.P.A. and, naturally, it is a quick project. All you use, practically, in a case like that is from very simple carpenters' plans. You can start a thing like that in two or three weeks. But, if you put up a $150,000 brick schoolhouse in the City of Poughkeepsie, that is a P.W.A. and, of course, it takes longer to get going, obviously.

Q Do you intend to continue the administrative setup (of P.W.A.)?

THE PRESIDENT: Yes.

Q And also on these larger projects, do you intend to go ahead with them?

THE PRESIDENT: Oh, yes. It becomes a question of how much money we have for P.W.A. and W.P.A. We have had that (question) from the first and I won't know until tomorrow morning.

Q What is the average cost per man you are now operating on for the residue of this?

THE PRESIDENT: What?

Q I understood that the amounts allocated ran so much per man originally, averaging $1100, and that you have to cut it down?

THE PRESIDENT: Yes.

Q Is it around $700?

THE PRESIDENT: Around $700, yes. That, of course, depends on the locality. It is a good deal more in New York City and a good deal less in the South. You cannot use a $700 scale with New York City. The scale for New York City, I imagine, would be around $900.

Q No room allowed at all for materials in there unless the local or state sponsor puts money in there?

THE PRESIDENT: Yes. Of course your P.W.A. is a 45-55 proposition and the other is W.P.A., where we give a certain amount to a community that cannot raise the money or hasn't the legal authority to do it, and they provide the materials out of their own funds. It depends on the project and the community. There isn't any hard and fast rule you can lay down or talk about in any of this work.

Q How are we going to know when the Father Coughlins come in? (Referring to the undisclosed visit of Father Coughlin the day before)

THE PRESIDENT: I was going to tell you today.

Q He spills it in New York before we get a chance to talk to you.

THE PRESIDENT: It is very careless.

Q It put all the boys on the spot.

THE PRESIDENT: There isn't a real story in it, except his visit.

Q Can you tell us what he talked about?

THE PRESIDENT: A social visit.

Q No silver?

THE PRESIDENT: No. (Laughter)

Q Is there anything further that you have to add to your statement in connection with the unfortunate incident (the shooting of Senator Huey Long) down in Louisiana the other night?

THE PRESIDENT: No. Naturally I sent a telegram to Mrs. Long and the family.

Q There is a story that Jim Farley is getting out on January eighth.

THE PRESIDENT: I told Charlie about it.

Q (Mr. Hurd) It has been officially denied.

THE PRESIDENT: The tire went flat.

Q That is one way to get on the front page of the Times.

Q I wonder if you had read the local newspapers of late regarding the answer of the various supervisors of the town to your address a few days ago?

THE PRESIDENT: I had not, no. The only one I read was the story of the party here.

Q Thank you, Mr. President.

Q How about Postmaster General Farley? Is he going to resign?

THE PRESIDENT: I never suggested it at all. I never talked about it before.

Q That certainly gets Frank Walker right out of a good job.

THE PRESIDENT: What paper do you represent? (Laughter)

CONFIDENTIAL
Press Conference #238, in his home at
Hyde Park, N.Y.,
In the President's Study
September 13, 1935, 11:00 A.M.

(Mr. Fred Pasley, representing the New York Daily News, was introduced to the President.)

THE PRESIDENT: Well, I have got the Captain (Captain Patterson of the New York Daily News) coming up today. Is this all there is?

Q Another batch (of correspondents) coming in.

THE PRESIDENT: That is good.

Q What are you going to talk to the Captain about?

THE PRESIDENT: Just a social visit.

Q Are you going to have a prepared speech? (Referring to the forthcoming trip to Lake Placid and Whiteface Mountain)

THE PRESIDENT: No.

Q Both extemporaneous?

THE PRESIDENT: Yes. I suppose you are not a bit posted in getting things off. Is there any telegraph office in Whiteface Inn, at the foot of the hill?

Q I understand that they are going to have to take it back to Placid.

THE PRESIDENT: Do you suppose you can file where we get back on the train?

Q They have some place at the base of the mountain.

Q It is about ten miles from the point you are going to talk.

Q The office is three blocks from the Olympic Stadium.

Q They are going to rush it down by auto.

THE PRESIDENT: You see, the trouble is there is darned little time on the schedule because after I come down from the top of the mountain I stop

down at Whiteface Mountain Inn and eat a hot dog. That is all the time I have.

Q How long are you going to talk?

THE PRESIDENT: I think five minutes.

Q Have you prepared anything?

THE PRESIDENT: I have not had time to prepare anything. I am going to talk to the Foresters in the morning. Don't they have some kind of a parade or something?

Q Foresters Day, yes.

THE PRESIDENT: I do not think there will be any news. I am going to talk extemporaneously on sustained yield foresting.

Q Oh, my God!

THE PRESIDENT: "Oh, my God!" says Eddie (Mr. Roddan). I am afraid that won't be a front-page story but it really is important enough to be on the front page. You haven't any sense of news values.

Q (Mr. Roddan) I have, but I do not make up the paper.

Q Have you seen John Lewis, or do you expect to see him?

THE PRESIDENT: I do not think so. I am talking to him today on the telephone. I am working on those appointments today.

Q Will we get them by tomorrow?

THE PRESIDENT: I do not think so. I might by Monday.

Q (Mr. Stephenson) Can you tell us about your talks yesterday? (with Secretary Ickes, Harry Hopkins, et al)

THE PRESIDENT: There again is a complete lack of news value. The real news value today is the foreign situation.

Q What can you say on that?

THE PRESIDENT: Well, that is the real news of course. We are all watching it.

The Secretary of State in his very excellent statement in the papers this morning seemed to put the situation very well and there isn't anything further that we are doing at the present time. We were all very much concerned over it.

Q Does that imply --

THE PRESIDENT: No, it does not imply. We are not going to get into the war.

Q It might be a question of judgment but, as I read one of these sentences and as an implication based on what you said, "That you are not doing anything more at the present time," does that imply that you might at a certain time participate in sanctions?

THE PRESIDENT: If the war breaks out we have perfectly definite legislation covering the subject. Simply a question of following legislation. Nothing further, not even by a stretch of the imagination.

Q That legislation is subject to your interpretation.

THE PRESIDENT: As to whether a state of war exists.

Q Mr. President, would you state what constitutes implements of war?

THE PRESIDENT: That question is being studied by the State Department at the present time.

Q What is that?

THE PRESIDENT: What constitutes implements of war.

Now, to come back to Stevie (Mr. Stephenson) and his question, I do not quite know how to go into this. I dictated a page and a half memo last night which is rather general, perhaps too general, but the difficulty of making it more specific is that there are two professions in this world that do not know the difference between dollars and dimes; one is the clergy and the other is the press.

Q We know about the dimes, Mr. President, but not the dollars.

THE PRESIDENT: So, really, what I ought to do in talking about this is to do what I do at budget time, make Fred (Storm) sit down on the floor while I talk on the fundamentals of finance.

Q Will it be more helpful if you read this little brief thing first before you explained?

THE PRESIDENT: Yes. As a result of a careful checking of figures today, decisions were made with respect to allocations for relief and work relief during the coming six weeks.

Direct relief into the early part of November -- what I call the mopping up process -- will call for 85 million in addition to what has been already allocated.

Tentative figures, necessarily tentative, were arrived at for the total cost, that is through the balance of the year, for rural rehabilitation, rural relief and rural housing. Now, all of those three things come under the Rural Resettlement Administration. However, these tentative figures for these three are subject to later re-check; in other words, to see what the needs are.

I don't think any of you understand, few people do, and a lot of people concerned in the Administration do not, what these mean. Rehabilitation, relief and housing involve three separate things, all in the same Administration. Rural rehabilitation means taking care of, say, 100,000 families who are actually on farms but who, because of lack of equipment, lack of materials, -- in other words, meaning plows and cows and seeds and lack of money -- are unable to make a go of their farm life. In other words, that is the rehabilitation of

the individual farmer on the land on which he is already located. That has been going on now for two years and it was transferred from FERA to Rural Resettlement.

Then, the second part of that is rural relief. That is concerned primarily with families in the drought area, who have to be tided over. That figure has been, of course, very materially reduced because the drought area of last year in most States today is back on its feet with the exception of one or two areas that were hit again by a drought this year as, for instance, the place that the dust storms came through and those same families still have to be taken care of by the relief method.

Then the third element in the Resettlement Administration is rural housing which means the existing projects that are actually under way and a few more for which the land has been substantially purchased up to the present time.

Q Mr. President, on rural housing, does that mean building homes?

THE PRESIDENT: It does.

Q Individual homes?

THE PRESIDENT: Individual homes and in some cases multiple homes. I don't know what the bright word for it is. Those are the communities outside of the suburban area but within access of a city.

Q You did not give any figure on that?

THE PRESIDENT: I did not, because I haven't any. For instance, I don't know whether that particular project will go through or not, but there is one project out at Bound Brook, New Jersey, which is about, as I remember it, 30 or 40 miles out of New York City. There it might be partly individual homes and partly apartment houses, with the effort also to bring in some kind of small industry that would take care of either a

portion of the population on a full-time basis or a larger portion of the population on a part-time basis.

Then on that question of rural housing we also discussed the possibility of doing there what we thought of as a possibility in regard to slum clearance and that is the establishment of a revolving fund. We would have to get legislation for it. The general idea is that if the Government puts through, let us say, one project, either slum clearance or rural housing, the people who go in after the thing is all finished organize a corporate entity and give back to the Government securities, bonds issued by that corporate entity, which would mean repayment to the Government over a period of years together, possibly, with Government management until they get on their feet, which might be a matter of five or ten years. Those securities would have a definite value and would form the security behind a revolving fund so that they could be sold or credit obtained on them and a new project started.

It is only what might be called the germ of an idea because it means legislation but in the long run it would mean a reduction of appropriations out of the Federal Treasury and at the same time a continuation of something over a period of years for which there is a very great need and that is housing, both urban and rural. The same thing could be applied to the other type of rural housing, the individual home communities.

Q Who will organize these corporate entities, the Government?

THE PRESIDENT: The Government will help the people going in to organize.

Q These are the projects that come under Mr. Tugwell?

THE PRESIDENT: Yes.

Q How far did you go on this? Have you decided to back this?

THE PRESIDENT: Just studying it, that is all.

Q Just the germ of an idea?

THE PRESIDENT: Yes. It does two things. It saves actual cost to the Government and continues and possibly makes permanent an annual program of better housing.

Then on the question of Public Works as against Works Progress you have to get a background if you are going to write a truthful story.

Q That is the only kind we know how to write. (Laughter)

THE PRESIDENT: Nearly all of you. (Laughter) I am good today, it is all right.

You have got a perfectly simple problem -- I have to go back again -- and here is the way we took it up yesterday, and it is the easy way to describe it: You have three factors, one is dollars, the other is men and the third is time. The first thing we did yesterday was to find out how many men and how long a time was involved with respect to the existing allocations. In other words, assuming that we have made X number of dollars of existing allocations, how many men will they put to work and when will those men be employed and for how long a time.

The study showed this, and it is the simplest way of putting it: The allocations already made, because of their nature, nearly all being for rather permanent things, will give an increase in employment slowly. That is because of the nature of the projects. They go up steadily month by month, but they won't reach a peak until late in the spring. In fact, they do not reach a peak of the number of people employed until Une [June]. That being so, you have an ascending scale of

employment on the monies already allocated going up like this (indicating a rising curve). Therefore, we have the problem of filling in the gap between now and June. That means that we have got to put more people to work quickly with the balance of the money than we are putting to work with the money already allocated. Do you see the point? That means that probably the bulk of the money that we have left has got to go for projects which will give the most employment during the months of December, January, February and March. Before March comes, those projects can start downhill because the other projects will have reached a much higher level.

Now, we did two principal things yesterday in regard to that: The first is that we are going to give enough money before I go away on the 26th to WPA to increase their employment on projects during the months of December, January, February and March. We have to do that if we are to live up substantially to what I said before, to somewhere around 90 per cent of the objective of getting the unemployed to work during the month of November. There is nothing new in it, it is just what I have said right along.

At the same time, we are going ahead with as many projects as we possibly can which will get work started during those months through PWA. During the coming week PWA is going to give me a list of projects which meet four conditions. We have to have four conditions on them in order to get people to work quickly. The four conditions are these: First, they have to be let by contract on or before December 15, 1935. That means that those projects will actually put people to work, I suppose, between December 15 and January 1; that is, as soon as the contract is let. The second is that they have to be

completed inside of a year.

Q A year from that date?

THE PRESIDENT: Yes. The third is that they have to be in areas where there are sufficient people on the unemployment rolls to furnish the labor.

I guess there are only three conditions.

Q Is there no cost condition in there?

THE PRESIDENT: The only cost condition is that they have to live up substantially to the average of $850 per man.

Q That makes that the fourth?

THE PRESIDENT: I forgot that. That is the fourth. An average of $850 per man, which PWA says they can do.

Q Doesn't that first condition regarding starting of the work, not only getting the contract let on December 15, but starting the work within a few weeks after that, bar outside construction in most of the northern part of the country?

THE PRESIDENT: Nearly all of this construction can be done through the winter.

Q Building construction?

THE PRESIDENT: Yes. There is very little difficulty now in the northern country under winter conditions. That does not worry them at all.

I think probably before I go I will approve, be able to approve, projects for at least 200 million dollars which represents a 45 per cent grant. That means that municipalities put up another 55 per cent or approximately 225 million more. That would take in projects for 425 million dollars.

Then, in addition to that, PWA is rechecking to find out what

PWA projects already authorized are not being pushed by the municipalities, or where they are running into technical or legal difficulties. Those projects will be cancelled and the money used for new projects under this same plan. It is expected that they will run to about 50 million dollars more on the 45 per cent basis, or about 110 million dollars of additional new construction.

That is only for the coming six weeks.

Q Now, that 200 million dollars you speak of is entirely PWA?

THE PRESIDENT: Yes.

Q And, may I ask, that is only for the coming six weeks?

THE PRESIDENT: Yes.

Q How about the deadline that was to go into effect yesterday? Is there a possibility that further allocations may be made after six weeks?

THE PRESIDENT: If we have more money, yes. That is subject to re-check at the time. In other words, this is not limited to the 200 million dollars. When I get back we will have a re-check on expenditures and it is entirely possible, in fact probable, that there will be further PWA funds.

Then the urban housing. I will tell you what we have done on urban housing. The total amount hung up on the books was about 200 million dollars, segregated but not allotted. We found in going over the slum clearance out of the old appropriation, the 3 billion 300 million appropriation, that they have quite a lot of projects. Under the present appropriation we have two projects under way at a total cost of 7 million 400 thousand and 13 others, on them the lots have been acquired and the projects will be started within the next sixty days, the total involved being 26 million 500 thousand dollars. In those projects, the land is completely bought or under option. In January they will be

ready to proceed with 21 more projects, the land for which is substantially bought or under option. Those January projects total 51 million dollars. They are all approved. And we also have approved 15 million dollars of projects to start in February.

Q Fifteen million dollars?

THE PRESIDENT: That is right, 15 million dollars of additional projects. In those cases the land is only partially under option and therefore, of course, it is subject to their ability to get the balance of the land. That makes a total of 100 million dollars.

Now, they had various other projects, some in February, a lot of them in March and one in April, the cost of which would have been another 100 million dollars. We have cut them out entirely because of the lateness in starting them.

Q What division is this under?

THE PRESIDENT: Under Colonel Hackett.

Q Is this distinct from slum clearance?

THE PRESIDENT: This is slum clearance, and we are taking that 100 million dollars and transferring it to PWA projects that can be started, as I said before, as soon after December 15 as possible. There will be quite a number started before December 11.

Now, on that 100 million dollars allocated for slum clearance, there again it comes under the question of getting legislation so that a revolving fund can be created for it.

Q The 100 million dollars for slum clearance?

THE PRESIDENT: Yes. Now, let us see what else there was.

Oh, yes, out of the balance we have got to give 75 million dollars more to CCC camps to carry them through the balance of the year with

the thought, not yet finally determined, that the CCC camps will be continued for the following year on a somewhat smaller basis, in other words, about 300,000 boys. And there is the further thought that they will become a permanent part of the Government's policy.

Q That is to maintain the CCC?

THE PRESIDENT: To maintain the CCC at an average annual rate of 300,000 boys.

Q That would be on a one year basis for each boy?

THE PRESIDENT: That I don't know.

Q You realize, Mr. President, that there is nothing new on that. Senator Young announced that in Warm Springs.

(Laughter)

THE PRESIDENT: Absolutely.

Q (Mr. Young) I had a hard time working it out for you. (Laughter)

THE PRESIDENT: He committed me and I had to go along.

Q Are there about 600,000 in it now?

THE PRESIDENT: There are 510,000 in it now.

Q Do you happen to recall offhand what this 75 million dollars will bring the total allocation of CCC up to?

THE PRESIDENT: About 600 million dollars representing about $1200 per boy.

Q Have you the figures on the check-up as to the unexpended balance of the 4 billion 800 million dollars?

THE PRESIDENT: Around a billion and a quarter.

Q That is unallocated?

THE PRESIDENT: Yes.

Q Was that billion and a quarter split up yesterday at all?

THE PRESIDENT: No.

Q It was not?

THE PRESIDENT: No, only what I have told you.

Q A definite amount was not allocated to WPA?

THE PRESIDENT: No.

Then one other thing, on rural electrification. In order to get people to work, also to see if we cannot save money to be used for putting people to work, I am taking up with Morris Cooke of Rural Electrification and with Jesse Jones of the RFC, the possibility of the RFC financing a large portion of the Rural Electrification work. As you know, that Rural Electrification work, as it proceeds, is intended to return the money wholly to the Government. In other words, it is only a loan, and it may be a loan to a farm organization, a farmers' cooperative or to a local lighting district, a municipality or to a private company, but the loans are intended to be self-liquidating and I hope that Jesse Jones will be able to bear a portion at least.

Q Have you a figure on that?

THE PRESIDENT: No, I haven't taken it up with him yet. This will be news to him.

I don't think there is another thing. We went over the various drafts and they all came down to the same picture.

Q May we have this photograph and reproduce it?

THE PRESIDENT: There are 3½ million people. Probably we cannot get all of them. Suppose we get 90 per cent of the 3½ million people, which is 3,150,000 people. They are the people we ought to get to work. The 10 per cent at the top, the difference between 3,150,000 and 3,500,000 would be on some form of relief.

Everything down at the bottom is represented by Government agencies. That is at the present time, those Government agencies are taking care of 800 and some odd thousand.

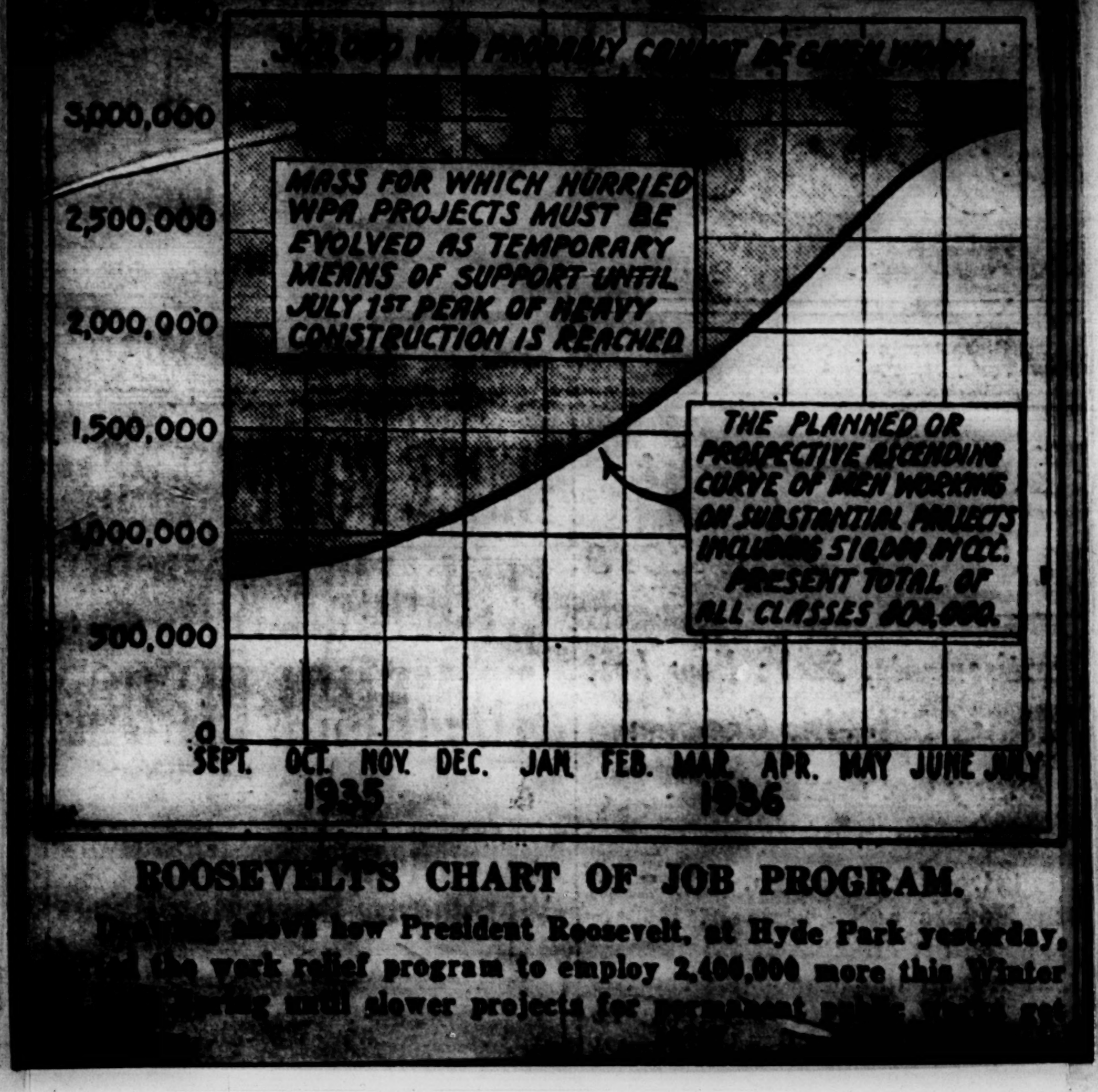
Q You are counting the CCC in there?

THE PRESIDENT: Yes.

Now the difference between that 800 thousand and the 3 million 150 thousand is 2 million 400 thousand, which must be taken care of by relief, WPA or PWA. We start our curve down here at the 800 thousand figure and as it proceeds it absorbs people from relief, increasing very rapidly from about the middle of December until it gets up to about April. We get up pretty well by the first of April. This is the gap (indicating the space between 800 thousand and 3 million 150 thousand) that has to be filled in between now and then. WPA is supposed to take care of that gap. Meanwhile this curve, representing PWA employment, will constantly be going up. In other words, those are the PWA contracts that are let on the 15th of December and they start getting people to work within 15 to 30 days but it does not get to its maximum of people until about May.

(Continued on following page)

(Note: The chart to which the President is referring was copied by Mr. Charles Hurd of the New York Times, and a copy of that chart as reproduced in the New York Times is attached below.)



ROOSEVELT'S CHART OF JOB PROGRAM.

[illegible] show how President Roosevelt, at Hyde Park yesterday, [illegible] York relief program to employ 2,400,000 more this Winter [illegible] small slower projects for [illegible]

Q There is one point on the calculation of the number of people that I have not been able to get straightened. If these 500,000 boys in the CCC camps are counted as part of the 3 million 500 thousand, then there

will be a considerably larger percentage of the total relief rolls left on relief, won't there, because most of these CCC --

THE PRESIDENT: It does not provide the full amount. In other words, there is that line in there. If a family needs $50 a month and they only get $25 from their boy in the CCC camp and they haven't another worker in the family, then we have to fill in that gap of $25 from this section, which is relief.

Q Under this chart the family that got part help from CCC would be down here (indicating 800,000 sector) because you have figured 500,000 CCC boys.

THE PRESIDENT: The family gets $25 out of this (indicating 800,000 group) and $25 out of that (indicating relief sector).

Q You have this 3,150,000. Then, if you subtract 500,000 from that for families getting part help from the CCC, you are only taking 2,650,000 families completely off the relief rolls?

THE PRESIDENT: You are taking care of the balance of those families from the top (indicating the top sector completely on relief). They get paid half out of that and half out of this. (Indicating the 800,000 sector)

Q Wouldn't that line be there now if we were back to the prosperity of '29? (Indicating full relief sector)

THE PRESIDENT: Probably more than that.

Q It would be about 3 million, wouldn't it?

THE PRESIDENT: Yes.

Q This is not the total of unemployment. This is the number to be put to work out of the 4 billion?

THE PRESIDENT: Yes. And of course the municipalities are supposed to take

care of the unemployed beyond this 3,500,000 people. Our only contract was to carry out what I said to Congress, these 3,500,000 people.

Q As you define that, I don't quite see how the CCC, how you can count them out in the 3,500,000,because you are not putting those families on a full work basis. You are getting one of the sons out of the family.

THE PRESIDENT: Yes, but, on the other hand, you are not putting the $25 up in here (indicating the 2,400,000 sector). It is a half person down here (indicating 800,000 sector) and it is a half person up there (indicating the full relief sector) and therefore it checks.

Q I don't see how that other half goes here.

THE PRESIDENT: Now, look here. There are 350,000 families in this group (indicating full relief group) -- let us say, 90 per cent. Now, there are 350,000 CCC boys down here (indicating the 800,000 group). Now, suppose there are 100,000 CCC boys down here whose families have got to be helped over and above what the CCC boys send home. Therefore you have got to take off 50,000 families from there because they are only getting, the whole 100,000 are only getting half help. Now, these families up here, these 350,000 families, we assume that they are getting full help. Since the 100,000 families are getting half help, you subtract half that number or 50,000 from the 350,000 families on full relief, making the total on full relief 300,000.

Q I don't see why you are subtracting that from up here (indicating full relief). You have already subtracted 500,000 on the basis of CCC enrollment down here (indicating 800,000 group).

THE PRESIDENT: They are getting half the help out of here and half help up here (indicating full relief).

Q Why don't you just put the 250,000 down here (indicating 800,000 sector)?

Q It looks like a foreign plot to me.

(Laughter)

THE PRESIDENT: Didn't I tell you they needed to go to school on arithmetic?

Q May I draw a map for you and send it out?

THE PRESIDENT: Yes.

Q If my notes are correct, I understood you to say that you were going to give enough money to WPA to increase employment to the necessary level for these four months coming?

THE PRESIDENT: Yes.

Q Can you give us some rough idea of how much of that $1,250,000,000 you have left?

THE PRESIDENT: I don't know.

Q Is it fair to take $75,000,000 for CCC and $200,000,000 for public works, add them up and subtract them from a billion and a quarter?

THE PRESIDENT: No, it is not, because you will still have a balance left on hand, if you do. You will find, if you add those figures and subtract them from a billion and a quarter that you will have $700,000,000 or something like that for WPA --

Q And Rural Resettlement which is the figure you did not give us?

THE PRESIDENT: Yes. Actually I think you will have $700,000,000 that could go to WPA. Well, they are getting nothing like that. I don't know what they are getting. As it is, I am going to have a nice balance left over.

Q To turn back to the Treasury or to re-allocate later?

THE PRESIDENT: To re-allocate later.

Q Do you have any superstition on Friday, the 13th?

THE PRESIDENT: Lucky number, that is all.

Q Anything about your talk with General Johnson and Mr. Manley?

THE PRESIDENT: I have no idea what it is about.

Q Would it be a fair guess to say it has something to do with Moses' (Robert Moses of New York) and (General) Johnson's fight?

THE PRESIDENT: I do not believe it does.

Q Did he ask for the conference?

THE PRESIDENT: Yes.

Q And Basil Manley, what are you going to discuss with him?

THE PRESIDENT: I imagine he is going to discuss the legislative requirements placed on the Federal Power Commission, and how he is going to carry them out without any money because his money is in the Third Deficiency Bill. I think that is a pretty good guess.

MR. McINTYRE: You do not care to ask what Captain Patterson is going to say?

Q We already did.

Q Do you regard Friday the thirteenth as a lucky number?

THE PRESIDENT: Oh, I think so. Yes -- it is all right.

Q Aren't you going to get a copy of that?

THE PRESIDENT: No. This isn't in here. These are just notes for myself.

Q Have you any comment on the report that some Dutchess County farmers are objecting to the so-called potato law?

THE PRESIDENT: I will tell you what I can, just as background, on the potato law. It is only background, and that is that it was not advocated by the Secretary of Agriculture. It was put through largely through the insistence of Senator Borah, of Idaho.

Q The old Idaho potato. (Laughter)

THE PRESIDENT: And Senator Hale, of Maine, and Senator Bailey, of

North Carolina.

Q I think Senator Hale skipped the roll call on it but Senator White might have voted for it.

THE PRESIDENT: He came down to ask me.

MR. McINTYRE: I think you had better explain what you mean by background.

THE PRESIDENT: It means for your information but it did not originate here.

Q You can't write anything under a Hyde Park dateline.

MR. McINTYRE: Tip your office and let them write it.

THE PRESIDENT: And then the other part of it is that the Department of Agriculture is engaged in studying the damned thing at the present time.

MR. McINTYRE: That bars the local paper on that story. You cannot write a story on the Hyde Park dateline. The only thing you can do is to tip your story to your paper.

CONFIDENTIAL
Press Conference #239,
Held in the Study of the President's Home,
at Hyde Park, New York,
September 18, 1935, 10.45 A.M.

THE PRESIDENT: Good morning, my good friend. How are you this morning?

Q Fine. You are looking great, Mr. President.

(A member of the Press handed to the President a letter from Lowell Thomas with respect to the forthcoming baseball game.)

THE PRESIDENT: We have Jack Dempsey refereeing it.

Q We have Jim Stringfellow with two guns.

Q We are going to have those boys? (Referring to the President's sons)

Q We will have Jim (Stringfellow) wearing his two guns and that will decide Mr. Dempsey.

THE PRESIDENT: Great. I will try to get over if I can. I don't think I can -- I will have a lot of people coming to lunch, as usual.

MR. McINTYRE: It is a swell party. You can motor over. He is getting up a very swell party.

THE PRESIDENT: See if you can't pull it off.

Q Young John is coming to play.

Q And John Boettiger.

Q There have been some rumors you were contemplating a western trip?

THE PRESIDENT: We have not finished the itinerary yet. It looks now -- I find there is such an awful lot of stuff to do in Washington it looks as though we cannot get away until the end of the week.

Q What day do you leave here?

THE PRESIDENT: Sunday night.

Q That knocks out the American Legion invitation, doesn't it?

THE PRESIDENT: I am afraid it does. I don't think there is a chance of my being able to make it. You see, they adjourn on the twenty-sixth. I have just been piling up things that I cannot do here.

MR. McINTYRE: It has been piling up here too, hasn't it?

THE PRESIDENT: If I tried to do it in two days, I couldn't.

Q More for personal interest and not for writing, what will be the prospects of the specials that have to go out to the West Coast making the trip back on one of the Naval vessels?

THE PRESIDENT: All the three specials? Yes.

Q I mean the real specials.

THE PRESIDENT: I don't believe there is enough room on the cruiser, is there, Fred?

Q (Mr. Storm) I won't say because I will get in bad, Mr. President.

MR. McINTYRE: Take a few trained seals along for a sea trip.

THE PRESIDENT: There isn't really any possibility of it because they can't take more than three people on that. It upsets the routine of the ship too much.

Q Mr. President, are there any engagements to announce on the trip westward?

THE PRESIDENT: Boulder Dam, San Diego and probably some kind of a luncheon in Los Angeles.

Q You take in Los Angeles before San Diego?

THE PRESIDENT: Yes, and then drive down -- probably drive down.

Q Can you tell us the approximate dates there?

THE PRESIDENT: It will be five days after I leave.

Q Is it too premature to say what possible western stops you might make?

THE PRESIDENT: None.

Q You say, "None"?

THE PRESIDENT: None. Sorry to make a liar out of you again but it is all right. That is off the record.

Q Mr. President, I don't recall having written flatly that you would make a midwestern stop. I have been very dubious. (Laughter)

THE PRESIDENT: All these political speeches across the Continent. It is all right.

Q Yesterday, in Pennsylvania, they had up a constitutional revision of the State Charter, making it easier to put through New Deal policies?

THE PRESIDENT: In Pennsylvania? Did they?

Q Apparently it was defeated about three to two. Governor Earle tried to put it over.

THE PRESIDENT: I did not know they had one going.

Q I did not either. I had a terrible time finding it in the paper this morning.

THE PRESIDENT: Don't say I did not know it was pending because, after all, that sounds funny either way. Just say there is no comment.

Q Mr. President, is there any late news from Europe?

THE PRESIDENT: Nothing. I talked yesterday afternoon and the thing is absolutely the same.

Q The Associated Press reports today that Italy is looking for a compromise, or is ready to talk turkey anyway.

THE PRESIDENT: I cannot comment on it because, off the record, I do think, from the newspaper stories this morning, that it is beginning to look as though there is a ray of hope.

Q That is off the record?

THE PRESIDENT: I have had nothing from the State Department up to today

at noon. I have had no cheering news.

Q As a matter of fact, rather careful reading of those dispatches this morning indicated that all Italy has agreed to do is to consider substantial proposals, if made, and no suggestion that they have been made.

Q It shows that the British is a more powerful agency of peace than the League of Nations.

THE PRESIDENT: Yes.

Q Mr. President, one of the Washington papers is interested in Congressman Sirovich's visit up here about two weeks ago on a Civil Service bill, which he says he plans to put in at the next session. I do not know what the bill calls for but he represented you as being all for it. Did he talk to you about a Civil Service bill?

THE PRESIDENT: He never mentioned one.

MR. McINTYRE: That is off the record.

THE PRESIDENT: This is off the record too. Old Doc pulled his usual stunt and he said he knew more about pure food and drugs than anybody else, and that he knew more about immigration than anybody else, and he handed me about five more speeches, and then he told me about this new Department of Arts and Sciences, about which he knew more than anybody else, and then he handed me volumes on that and then, after having made about six speeches to me, and having handed me literature about a foot high, he took his departure.

MR. McINTYRE: He is the world's champion talker.

THE PRESIDENT: You know, as a matter of fact, if one did not know old Doc personally, the stuff in the Record (Congressional Record) is pretty good stuff. He has an amazing amount of information in it.

Did you ever read his stuff?

Q No.

THE PRESIDENT: He makes a great speech too.

Q He made a great study on the civil service thing.

THE PRESIDENT: I imagine so.

Q Didn't he give you a gold watch?

THE PRESIDENT: No.

Q Is there anything to add to the Works Relief program since we last talked to you?

THE PRESIDENT: No.

Q Mr. President, could you clear us up at all on General Johnson's statement yesterday at his press conference?

THE PRESIDENT: It has not been discussed at all. It was not discussed yesterday at all.

Q Mayor La Guardia had intimated that he was coming up to discuss it.

THE PRESIDENT: Mayor La Guardia mentioned it but it was not mentioned in the conference at all.

Q The prevailing wage scale?

THE PRESIDENT: Merely talked about the possibilities of employment in the State of New York and the amount of people we have to try to take off the rolls and put to work. We talked about the State as a whole.

Q The Government will do the same thing for all states as for New York?

THE PRESIDENT: Exactly the same thing; no difference.

Q Is it reasonable to suppose that there may be something on the prevailing wage scale from here soon, as General Johnson said?

THE PRESIDENT: I don't know. It would not be from here. It is a matter

to be handled strictly between Harry Hopkins and him.

Q You mentioned at the last Press Conference that Secretary Ickes during the week would send you some of his proposals?

THE PRESIDENT: I do not know whether they will get here before I leave or I will pick them up on Monday morning. That is one reason for staying over in Washington. I will have a lot to go through.

Q Any of these visitors going to make news for us?

THE PRESIDENT: Who is coming?

Q Read the list (indicating list in front of the President).

THE PRESIDENT: They are all people who have been asking to see me for a long time.

Q Who is Frank Kelly?

THE PRESIDENT: Brooklyn leader. I am cleaning up all of these things -- people who have been trying to see me back in July and August and who were put off until after the session. I am just cleaning up.

Q Any observation on yesterday's election?

THE PRESIDENT: Yesterday's election? What happened?

Q I don't know.

Q I know there was one -- the primary.

MR. McINTYRE: How did you happen to know -- the same way I did? The tap room was closed for six hours.

Q Nine hours. (Laughter)

THE PRESIDENT: We did not have a contest in the Town of Hyde Park so I did not vote.

Q Any comment on the visit of Farley and Charlie Michelson?

THE PRESIDENT: A social visit.

Q You talked about the weather? (Laughter)

THE PRESIDENT: Yes, and growing crops. (Laughter)

Q Mr. President, when could we expect something on the Guffey Coal Board?

THE PRESIDENT: Well, I had hoped to have it today and I haven't. Perhaps this afternoon, tomorrow or the next day. It looks like that now. I am just doing some thinking on one or two names.

Q Benedum have anything to do with it?

THE PRESIDENT: No. He is oil, I think.

Q I know he is, but he is from Pittsburgh.

Q Will the Coal Board be named before your return?

THE PRESIDENT: I think so -- I hope so. I have got two names to check on. I am all set on three, and if I can check them in the next twenty-four hours.

Q You still have three to name besides that?

THE PRESIDENT: Yes, the Coal Labor Board. I think there are three names. Technically, one is recommended by the miners and one by the operators, so I really only have to select one.

Q Is Hosford apt to be on it?

THE PRESIDENT: You should see the list -- there are sixty names. It wouldn't do you any good -- there are sixty people mentioned.

Q Then there will be fifty-five very sore fellows.

THE PRESIDENT: Yes. (Laughter)

Phelps wrote a story last night in the Sun (New York Sun) in which Phelps (Adams) was unusually accurate. (Laughter) This is all off the record. It made me think of telling you a story about the Constitutional Convention that was held at Poughkeepsie in 1788. It was an awfully interesting thing and very few people

have dug into it. The reason I know of it was because my great-great-grandfather was a member of it.

Q Isaac Roosevelt?

THE PRESIDENT: Yes. It took nine states to ratify. Seven states had ratified. New York and Virginia were holding their conventions. Obviously New York was the key state because if New York did not ratify you would have had New England on the one side and Pennsylvania and the South on the other side, with this split right across the middle of the colonies, so it was literally a critical thing.

So the New York delegates were divided -- there were 47 or 48 of them -- and they were divided into two groups, one led by old man Clinton, Governor of the State from the formation of the state government, and the other was led by Hamilton. In other words, there was a Clinton crowd and a Hamilton crowd. All the delegates were for a Constitution. But the Clinton crowd were in the majority, a very definite majority, and they would not ratify the Constitution without a Bill of Rights, and there was no Bill of Rights in it.

So they met in Poughkeepsie, at the site of the present Court House, and they sat there week after week, and there were some very interesting speeches and debates. The Clinton crowd would not vote to ratify it. The Hamilton crowd, and my great-great-grandfather was a member if it -- I think they only had about 20 or 22 votes -- and they had a complete deadlock. The Clinton people said that they would not ratify without a Bill of Rights and the Hamilton people said, "We are all for a Bill of Rights. Now, there is a clause in the Constitution that allows it to be amended. Let us ratify it and then seek an amendment afterwards."

Well, the thing dragged on and the Clinton crowd would not yield, and finally a fellow named Malark Fond Smith who was a delegate from Dutchess County --

Q This isn't off the record, is it?

THE PRESIDENT: Oh, sure. I am not going into the Constitutional history, but if anybody wants to write up a story, or a magazine article, it's all right.

Well, Malark Fond Smith personally made a speech, "We are all agreed that there should be a Bill of Rights but, after all, if we do not ratify the Constitution there won't be any Union." Meanwhile, they had not heard from Virginia. And he said, "I propose a formula and that is that we, the delegates here, ratify the Constitution in full faith and confidence that an amendment or a series of amendments will be immediately adopted providing for a Bill of Rights." On that, the Hamilton people swung over enough Clintonian delegates to ratify the Constitution, and they were all set. That was done right after the speech and at that moment in came the horseback rider saying that Virginia had ratified. So Virginia beat us to it by about three days. New York, having been straightened out on the Bill of Rights, ratified by a close vote, ratified in full faith and confidence that the Bill of Rights would be added to the Constitution.

Q His amendment was won by a vote of 21 to 39. The actual ratification was 30 to 27.

THE PRESIDENT: He found the formula and after the very first session of the Congress the Bill of Rights bills were introduced, the ten amendments.

Q Which crowd was Livingston with, the Hamiltonians?

THE PRESIDENT: I don't remember.

Q Old John Jay.

Q He came afterwards.

THE PRESIDENT: Was John Jay a member?

Q (Phelps Adams) Yes, sir.

THE PRESIDENT: Did he take part?

Q His name was mentioned.

THE PRESIDENT: I don't know whether John Jay took part in the debates. He may have been on a trip. I think Robert R. Livingston was with the Clintonians at that time. That was a very nice formula -- "in full faith and confidence".

Q That is a common legal phrase as a result of that.

THE PRESIDENT: Yes.

Q And we can't use any of this?

THE PRESIDENT: No, go and dig it up yourself.

Q If you really want it, there is a Clerk of the County down here who has a nice old history book. He has been digging into it. It says Poughkeepsie is noted for one thing and then --

Q (interposing) It does not have President Livingston's remark about "full faith and confidence."

THE PRESIDENT: I do not think there is anything else pending today or tomorrow or the next day.

Q Can we tell Lowell Thomas he may expect you Saturday?

THE PRESIDENT: I will come if I can. Mrs. Roosevelt is speaking down in Newburgh this morning.

MR. McINTYRE: She told us last night, after we had stayed into the wee small hours, that she was going away at seven this morning.

Q Is Mr. Farley leaving today?

THE PRESIDENT: He left this morning early. I did not see them off.

Q You say the western trip will be somewhere toward the end of next week?

THE PRESIDENT: Yes.

Q Have you a nice cruiser picked for us?

THE PRESIDENT: I have not heard who is escort.

Q You are going on the HOUSTON?

THE PRESIDENT: Yes.

Have you got any (fishing) lines or poles or anything?

Q We thought we would get some after we got out there on the Coast.

THE PRESIDENT: You want some fairly heavy gear because where we are going there are pretty big fish. I had on one marlin last year and Franklin was on one and we lost both of them. Both gears carried away.

Q Big pole. I got a pole but it is not big enough.

THE PRESIDENT: You want a very heavy pole. We will have quite a lot of fishing probably, because I am trying to schedule the thing so that we will get to a place around two o'clock in the afternoon, fish until dark and then get back on board and then go on to another place.

Q Are you going to Pearl Island?

THE PRESIDENT: Yes.

Q And go fishing?

THE PRESIDENT: I have got another place that no white man has ever gone to, not far from there.

Q You are going back to the Cocos too?

THE PRESIDENT: I wouldn't have you miss that. And this time I am going to issue an order that all three (of the Press Association men) have

to go to a picnic on the beach, whether it is raining or not.

Q Did you understand why we did not go last year?

Q Can you imagine a Navy ship that could not answer where the President went until they asked him?

THE PRESIDENT: You came in, didn't you, Stevie (Mr. Stephenson)?

Q (Mr. Stephenson) That was to verify.

Q They had told us that you had turned back.

Q We were all ready to go off the boat -- we were standing on the gangway for an hour.

THE PRESIDENT: They said you were ready.

Q We stood in the rain for two hours. They couldn't make up their minds whether we were going to go ashore or stand at the beam or what.

THE PRESIDENT: I don't think you will get the same boat you had last year.

Q Have you got a destroyer picked out for them?

THE PRESIDENT: No, I don't think we will make them use a destroyer this time.

Q Where do you think you will land? Honduras?

THE PRESIDENT: I don't know -- I have no idea. It depends on whether it is rough or not. I don't want to come around Honduras.

Q By the way, do you happen to have any tentative time in mind for this cruise -- the length of time?

THE PRESIDENT: It will be about twenty days on the water and about five days getting out there. Twenty-five or six days, the whole trip.

Q Can you give us any idea when you are likely to get your tentative schedule on this trip?

THE PRESIDENT: By Friday or maybe by tomorrow. But it will be fairly

hurried going across (the Continent) because I want to get as much time as I can at Washington.

MR. McINTYRE: And at sea.

THE PRESIDENT: And at sea.

Q Mr. President, it is definite then that you will not be able to go to the American Legion?

THE PRESIDENT: I probably won't be able to because I have all this stuff.

Q Thank you, Mr. President.

THE PRESIDENT: See you Friday.

CONFIDENTIAL
Press Conference #240,
Held in the Study of the President's Home
at Hyde Park, New York,
September 20, 1935, 10.30 A.M.

(Secretary McIntyre and the official reporter, having been delayed at the office in Poughkeepsie, did not arrive until after the Press Conference had started.)

Q Mr. President, I noticed in the story the other day that the office tucked in a little paragraph to the effect that Ickes (Secretary Ickes) would accompany you out to Boulder Dam?

THE PRESIDENT: Yes, that is right. Also Hopkins (Mr. Harry Hopkins) is going along too.

Q Are you ready with the Coal Board?

THE PRESIDENT: Where is Mac (Mr. McIntyre)? Did you get that clearance?

MR. McINTYRE: No. I will have it soon, sir.

Q is there anything you can tell us on the European situation today?

THE PRESIDENT: No. I have not heard anything from Washington since the day before yesterday. They did not have anything except what came out in the papers.

Q Mr. President, there are three governors on the list today, Governor Green, Governor McNutt and Governor Brann?

THE PRESIDENT: Good. Good.

Q Is there anything you can tell us beforehand what they are likely to talk about?

THE PRESIDENT: I will try to shoot them down to you, all of them.

Q We want to go to Green (Governor Green) for lunch. Do you remember last year?

THE PRESIDENT: Did he lunch with you?

Q He did not. (Laughter)

Q We were his guests.

Q We thought we were. (Laughter)

Q Just a little misunderstanding.

THE PRESIDENT: I guess he had the cotton strike on his mind.

Q But he took time to send word up, though.

MR. McINTYRE: Did you ever see the letter we wrote him?

THE PRESIDENT: You ought to get him to lunch with you.

Q If we get him, we will.

THE PRESIDENT: McNutt is lunching here, not he.

Q You tell him.

Q Have you made any estimates or surveys to show how much the cost of your work relief program will be increased as the result of the shortening of hours under the agreement announced yesterday by Hopkins and others?

THE PRESIDENT: No information on it at all.

Q Mr. President, you did approve that order on hours?

THE PRESIDENT: No.

Q You did not?

THE PRESIDENT: I told you before that that is a matter being handled by Hopkins. That does not mean I disapproved it. It never came this way, that is all.

MR. McINTYRE: One or two of the boys have an inquiry and, if you want to answer it, it ought not to be for morning paper release but for immediate release. The news is that Joe Kennedy --

THE PRESIDENT: (interposing) Yes, I think that can be announced. The

only thing is this: I have his letter and I have not written my letter. I do not want to kill the story for Joe. That has been in the cards for about six weeks.

MR. McINTYRE: The rest of the Conference is for morning paper release, but this is for immediate release.

THE PRESIDENT: I told you six weeks ago he was getting out this fall.

Q Does he give any reason?

THE PRESIDENT: That is the trouble about making it -- there are going to be two very nice letters.

Q Can't we get that after the Conference?

THE PRESIDENT: No, because mine isn't written yet.

Q We can say it will be coming along later?

MR. McINTYRE: The afternoons feel they are entitled to it because the story is breaking in Washington.

THE PRESIDENT: All right -- letters for the morning.

Q Can you tell us why he is getting out now?

THE PRESIDENT: Because he has been hoping to get out for some time and he stayed a great deal longer than he expected to stay. He has to get back to his private work.

Q Have you anyone in mind to succeed him?

THE PRESIDENT: Not yet.

Q I have seen his name mentioned as the next Postmaster General by political writers in Washington? (Laughter)

Q Is there going to be a new Postmaster General?

THE PRESIDENT: Only in the minds of the political writers from Washington, as Mr. Russell Young says.

Q (Mr. Young) We haven't any up here.

Q You can go further and do worse.

Q Anybody on this list, like Dr. Studebaker?

THE PRESIDENT: Who else?

Q George Johnson and Hecox, of Binghamton (New York).

THE PRESIDENT: They are old friends of mine.

Q Lester Herzog, he is the State W.P.A. Administrator?

THE PRESIDENT: Yes.

That will be all, I think, until we get back to Washington. I am cleaning up tomorrow and Sunday. I do not think anybody is coming. Is anybody coming tomorrow?

MR. McINTYRE: No, sir.

Q Did you say my itinerary was wrong?

THE PRESIDENT: Only your geography is wrong. In other words, the U. P. goes straight from Omaha to Cheyenne.

Q The U. P. never went straight in its life. (Laughter)

THE PRESIDENT: Well, it is still in the black.

Q I am talking about the United Press.

Q (Mr. Storm, representative of the United Press) It is also in the black. It is about time they were giving back that 10 per cent pay cut.

THE PRESIDENT: Haven't you been given that back?

Q No, sir.

THE PRESIDENT: I will have to speak about that.

Q You might send him (Roy Howard) a cable beginning, "As suggested by Storm--"

THE PRESIDENT: Yes. (Laughter)

Q May we write about the ball game for the morning papers tomorrow?

THE PRESIDENT: Yes and that I hope to be able to go.

Q We hope you will.

THE PRESIDENT: After lunch I have got some kind of a show that Sistie and Buzzie are putting on.

Q Tomorrow?

THE PRESIDENT: Tomorrow.

MR. McINTYRE: I think we will arrange with Sistie to put the time up a few minutes.

THE PRESIDENT: I think it will be a quarter to three and that will get me over about a quarter past four.

MR. McINTYRE: Why can't you bribe Sistie by telling her you will take her with you?

THE PRESIDENT: It is a question of her nap. Sistie will go any time.

Q That is fine; thank you, Mr. President.

THE PRESIDENT: I can give you the itinerary now. It is Washington, Omaha, Cheyenne, Salt Lake City, Boulder Dam, Los Angeles, San Diego, cruiser, Cocos Islands and Pearl Islands. By the way, I was talking to somebody about the Pearl Islands and he had fished there and says it is awfully good fishing.

Q Where do the Pearl Islands lie?

THE PRESIDENT: Off Panama and a little southwest of Panama. In other words, going from Panama to Cocos, we went just about due west and if we had gone a little more to the south of that we would have seen the Pearl Islands.

MR. McINTYRE: Where is this place that no white man has ever been before? Is that a secret?

THE PRESIDENT: Yes, that is a secret.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #241,
Executive Offices of the White House,
September 25, 1935, 10:40 A.M.

MR. DONALDSON: All in.

THE PRESIDENT: I hope you will all have a very pleasant vacation. I believe there is quite a gang going on the train. I think it is going to be a peaceful trip going across.

Q Quite a crowd signed up.

THE PRESIDENT: I have been digging out the reels and rods and lines and leads this morning. I will be all packed by tonight.

Q How many days do you think you will devote to your fishing -- a couple of days?

THE PRESIDENT: Oh, probably more than that. I think I will probably stay on the Coast of Lower California and visit a couple of places for a couple of hours each. Then I hope I can get two days at the Cocos Islands. If I find any treasure I will share it all with you, and then maybe a couple of afternoons in the Bay of Panama.

Q That island you were going ashore, where no white man had ever trod before, where is that?

THE PRESIDENT: That is down in that direction. If I told where it was, there would be some white man who would go there.

Q Mr. President, are you thinking of going to Northern California, any place north of Frisco?

THE PRESIDENT: I am not going to Frisco, only to Los Angeles and San Diego.

Q What is the status of the farm-to-market roads program?

THE PRESIDENT: What about it?

Q Anything on that?

THE PRESIDENT: Only that we are building a number of them under WPA.

Almost every state, I think, is down on the list.

Q Some talk of some four hundred or five hundred million being set aside for that purpose.

THE PRESIDENT: No, no. But out of the WPA list of projects there will be a great many farm-to-market roads built. It depends a little on the state, the availability of labor, et cetera.

Q What has become of your grade crossing elimination program?

THE PRESIDENT: That is going ahead.

Q Two hundred million?

THE PRESIDENT: I don't know. I haven't talked to McDonald about it.

Q There is only one eliminated so far.

THE PRESIDENT: On grade crossings it takes a long time to get going. You have to get the land and do the engineering on it. It is slow to get started.

Q These details apply to grade crossings?

THE PRESIDENT: They have the list already.

Q Contracts must be let by December?

THE PRESIDENT: If possible.

Q Any allotment been made to Rural Resettlement?

THE PRESIDENT: Oh, my, yes. How much, I don't know. That is going right ahead.

Q I was told that they were rather waiting before starting their new projects until they had another allotment.

THE PRESIDENT: I don't know. I think, offhand, they have an allotment of about thirty million already.

Q Mr. President, Mr. Fechner left here the other day and he indicated that about 9000 men a month were being taken out of CCC Camps by private industry.

THE PRESIDENT: I got his report about two weeks ago and it shows -- this is dated September 7th -- that in the first six-months period of the CCC 19.2% of the men had found employment and had left the CCC. The second survey covered the second six-months period and shows 36.4% of the men have found employment. The third six-months period showed 22.8% finding employment and the last, the fourth survey, showed 39.4% of the former enrollees finding employment.

On the report of the families of these men, it was found that over 40% of the total resulted in closing out the relief case, and another 20% resulted in materially reducing relief allowances, although the CCC allotments were not sufficient to completely close the cases.

I told Mr. Fechner the other day to proceed from now on on a fairly definite schedule. On October first he will fill up the vacant places -- you see, that is the end of the period -- to the full number of 500,000, not including 12,500 Indians and 4,500 in the territories. From then on, having reached that 500,000 schedule, he is to make no more enrollments during the Winter, which means that the 500,000 by next April will be reduced to approximately 400,000. He is to reduce from then on -- that is to take only a sufficient number of new enrollees -- so that by the first of July we will be down to the 300,000 level that we have more or less set as a goal for the following fiscal year, as the permanent policy. That, of course, depends on action by the Congress, that 300,000. You had better check these figures because I am not sure they are absolutely correct, but the theory is going to be this: There are about, roughly, 750,000 young men each year who finish their education. You cannot take the age of eighteen or some specific age because some of them would be in college,

some of them would be finishing high school or would have finished high school the year before, so what I am trying to do is to find the number of young men that have finished their education in any given year and that runs about 750,000.

Of that 750,000 there are, roughly, about 150,000 who, for physical reasons or other reasons, are not qualified for the CCC work. That leaves a total of about 600,000 young men in the Nation each year who will complete their education and who will be eligible for CCC work.

This plan of making it a permanent policy to take in 300,000 of them for a year's work -- not six months enrollment but a whole year's enrollment -- will give opportunity to about half the available young men in the country to go into CCC Camps. Of course preference will be given to those financially most in need of the work.

Q That means that at the same time, in the near future, it will not be necessary to be on relief in the CCC Camps?

THE PRESIDENT: We hope so. But, as I say, the preference will be given to those who most need it. In other words, if there are 300,000 in the fiscal year 1937 whose families are on relief, we take them first, and if there are not enough to fill up from the families on relief, then we take the next group that are not families on relief but which really do need the money that comes in through the boy.

Q Can you tell us how widely the letters were sent by you to the clergymen of the country?

THE PRESIDENT: I think the Sun story is substantially accurate. They went out to a substantial number of clergymen in various parts of the country. I am trying to find out from non-government officials what the problems are.

Q Do you remember sending any to the clergymen in the District of Columbia?

THE PRESIDENT: I think so. I don't know whether they have actually been mailed or not.

Q Wouldn't be proper to find out from here?

THE PRESIDENT: You had better go and ask the clergymen.

Q Do you plan to carry that over the Nation, into every professional field, or just confine them?

THE PRESIDENT: Oh, no. This was directed to certain clergymen. If you will read the letter, you will see the objective of it. It relates, of course, primarily to two very important things we need information about. One is on social security legislation and the other is on works program.

Q On your trip across the country, do you plan to make many brief stops for platform appearances?

THE PRESIDENT: No. Most of the "change-engine" stops will be outside of towns or in yards that people can't get down to. It will be just like last year. Of course, in some places there will be crowds and I will come out and say, "How do you do", exactly as I did last year.

Q Do you plan to give approval to the two hundred million PWA before you leave?

THE PRESIDENT: Yes, before I leave.

Q Are you going to make various WPA and PWA allotments while you are away?

THE PRESIDENT: Most of them will be done before tomorrow night; nearly all.

Q Are you going to see Sec. Ickes on Housing?

THE PRESIDENT: This afternoon.

Q Is there going to be an increase in the appropriation?

THE PRESIDENT: I don't know. The appropriation was made on the basis of the statement by Col. Hackett as to the housing-slum clearance projects

that are ready to go by February and it will just about cover the list of the projects that are ready to go by February. Of course, there are hundreds of other projects where they haven't the land or had to have some kind of a municipal election, so obviously we had to take the ones ready to shoot.

Q Sec. Morgenthau has requested the resignation of William J. O'Brien as Collector of Customs at Buffalo and Mr. O'Brien is down here with Rep. Mead today to see you.

THE PRESIDENT: I don't know enough about it to give you an intelligent answer. I knew about the case, that is all.

Q I thought Sec. Morgenthau may have talked to you.

THE PRESIDENT: Only in general terms, that is all.

Q Do you have any plans for young women that finish school each year? Do you know how many do?

THE PRESIDENT: I wish we did, but it is an awfully difficult thing to work out. If you will head a committee to give me a useful, practical plan, I will be very grateful.

Q Do you think all the four billion will be allocated by tomorrow night, when you leave?

THE PRESIDENT: Substantially, yes.

Q Allocated or earmarked.

THE PRESIDENT: Yes.

Q There is a criticism been made against the housing program to the effect that the original idea of low-cost slum housing has been forgotten or set aside for some reason or other -- either difficulties or policy. Do you care to make any statement along that line?

THE PRESIDENT: No, it has not been changed. Depends a little on the locality.

Low cost housing of course can be put in in the south on a room rental basis far below the cost in New York City or at Chicago. Our chief trouble, of course, is the price of the land and in big metropolitan areas, like New York and Chicago, the cost of the land inevitably raises the room rent per month. They will be, of course, substantially lower -- the rents -- than in almost any other type of similar building. They won't be as low a rent as in a slum that we are trying to eliminate.

Q You haven't sidetracked the idea, as has been charged?

THE PRESIDENT: Oh, no; no.

Q On housing, the time element just about precludes any project on which plans have not been begun or land acquired?

THE PRESIDENT: Yes, of necessity because unless we set a deadline -- I took February, and, unless we get a project started by February, it is not going to do very much good until the following year.

Q There was a report on NRA to Senator King this week that showed that the NRA still had a payroll of some several million dollars with a vast number of six to eight thousand dollar jobs.

THE PRESIDENT: I think they are being cut off pretty fast. I think we are down to under three thousand.

Q About 2700.

THE PRESIDENT: I think you will find that will be cut down pretty fast to about two thousand.

Q What work are they doing at the present time that requires them?

THE PRESIDENT: They have nine hundred field people to collect the information and they need about one person each to prepare and collate the information. I think you will find that they will cut down to about

two thousand pretty fast.

Q What work do the field workers do?

THE PRESIDENT: They try to find out what has been the result in industry of the abandonment of the codes and substantially --- well, it is too early to give more than a general idea of what they are finding -- in most of the major industries the code standards are being lived up to; in some they have broken down pretty substantially, and in almost every industry there are chiselers.

What we want to find out is how far that breakdown is going and whether the chiselers are increasing. In some activities they have held the lines extraordinarily well.

Q Can you name them?

THE PRESIDENT: I think not. In others they have broken down pretty badly.

What we want is an actual check of all the major industries.

Q For what purpose?

THE PRESIDENT: As the basis of discussion as to what we should do, if anything, to prevent certain conditions which were inimical to the business life of the country, such as child labor and very long hours, that the average business man doesn't want to put into effect in his plant - it all comes down to that -- and minimum wages. 90% of the manufacturers don't want to work their employees 72 hours a week. They don't want to pay them four dollars or six dollars a week, but they are confronted with some members of their own industry who seek to turn out goods at a lower price by working their people extra long hours or paying them below a reasonable minimum. The objective -- in the same way, collective bargaining, fair trade practices and the continuation of their sitting around a table and trying to prevent

unfair trade practices -- that is something we want to encourage, and it is much easier to encourage it if we have all the facts regarding each industry.

Q Do you expect NRA to be re-established?

THE PRESIDENT: I have no idea about NRA. We have, first, to get the results of the abolition of codes. If industry can go along substantially without codes, maintaining fair working conditions and maintaining fair trade practices, there is no need of codes. But if the chiseling element of industry breaks it down, then something is going to be done.

Q There are rumors that there will be some legislation sponsored by the Administration in the next session of Congress?

THE PRESIDENT: I have absolutely no idea. Depends on what the survey shows and what proposals are made by industry itself.

Q Does that go for the Walsh Government Contract Bill, which you recommended?

THE PRESIDENT: Well, that again would depend very much on the actual practices in industry between now and January.

Q Assuming that the chiselers --
(Interposing)

THE PRESIDENT:/ If industry does not chisel on Government contracts there is no need for a Walsh bill.

Q Assuming that chiselers do get back in the limelight --
(Interposing)

THE PRESIDENT:/ The first thing to do then is to say to industry, "What do you propose to do about it?"

Q And then the second thing?

THE PRESIDENT: Now you are getting "iffy." We hope they will have a solution.

Q Have you any comment on the favorable business report of the Advisory Council of the Federal Reserve Board, published in the morning papers?

THE PRESIDENT: Only this, that it is in line with what we have been rather looking forward to for about two years.

Q Mr. President, will Mr. Fechner's letter be made public?

THE PRESIDENT: I don't see why it should not.

(Mr. McIntyre spoke to the President.)

He will give it out over there.

Q What does the supplementary budget show?

THE PRESIDENT: Hasn't come to me yet. I haven't got it yet.

Q There has been some criticism of your NYA -- your Youth Administration procedure recently and I wonder if you have given particular attention to that?

THE PRESIDENT: I am giving a great deal of attention to it. The major part of the allotment for the National Youth Administration goes as a relief measure. We have to bear in mind that the whole of it is a relief measure and that the major part goes to help boys and girls attending school and college where they otherwise would not be able to do it. That sum will run to around $27,000,000. Then, in addition to that, we have worked out -- and Dr. Studebaker will bring in the allotments before I leave tomorrow night -- four or five other projects which will, of course, employ people on relief but will be aimed at improving educational standards and will be handled largely by trained educators.

Q Would you prefer the present educational set-up?

THE PRESIDENT: That will be used on other projects. Of course the actual help to individual students, that is not an educational matter, it is a relief matter. Then of course, in addition to the National Youth Administration, I don't believe that Hopkins and Ickes are ready yet, but very soon they ought to be able to give us a list of the

schoolhouses that are being built with Government aid all through the country. It is a very large list and represents a great many millions of dollars.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #242,
Aboard the U.S.S.HOUSTON at
Charleston Navy Yard, Charleston, S.C.,
October 23, 1935, 2.15 P.M.

(Postmaster General Farley was present.)

THE PRESIDENT: I have not seen the morning papers and I do not know anything that has happened.

Q (Mr. Stephenson, representative of the A.P.) Several good A.P. stories in them, Mr. President.

THE PRESIDENT: Of course. You were on board. We were perfectly furious on this ship the night before last. One of those damned radio announcers came over the air. The radio announcer said that the President's ship is in a very heavy sea, that the HOUSTON is wallowing in the trough of the sea and the U.S.S. PORTLAND is standing by. On the ship they were wild. Did you hear that?

Q (Mr. Storm) No, sir.

THE PRESIDENT: Some of our crowd picked it up. We were wallowing in the trough of the sea and the PORTLAND was standing by.

Q Just about ready to shoot you alive.

Q You know, last year they asked us to edit the ship's paper and we did such a good job that I think there was a lot of inter-ship communication about it. We had the PORTLAND -- the HOUSTON being towed by the NEW ORLEANS.

THE PRESIDENT: Yes. (Laughter)

Q What are you going to do when you get to Washington?

THE PRESIDENT: Go through mail, chiefly, tomorrow, and see a few people, principally the Secretary of State. That is to bring me up to

date on everything that I have not got by radio. And then, in the evening, I have a five-minute broadcast.

Q Tomorrow evening?

MR. McINTYRE: Seven minutes -- Mobilization for Human Needs.

THE PRESIDENT: I have done one thing for them already, made them a speech, and now I have to give them a broadcast.

MR. McINTYRE: It is 9:30 (P.M.)

Q How about this talk here today? We are going to be very crowded for time.

THE PRESIDENT: I am going to say that I am glad I am back -- a long time since I have been here -- a great many things happening in Charleston the last seventeen years since I was here. I think I was here in 1917.

Q The local paper says you were here during the war.

THE PRESIDENT: I think it was 1918.

Q There is one thing in which we are tremendously interested down here and we were wondering if you could give us a word?

THE PRESIDENT: Well, as far as I know, it is going through. The money has been allocated for the first year's work.

Q Have you been following the course of the Works program by radio?

THE PRESIDENT: Only through whatever Press Association stories went out.

Q November first is about nine days away and they are still about 2,300,000 short of the goal.

THE PRESIDENT: And the thirtieth of November is thirty days away.

Q I thought it was the first.

THE PRESIDENT: I was only expressing the hope it would be the first. I said it was November all along.

Q You still hope by November to put 3,000,000?

THE PRESIDENT: Again, there, do not go off half cocked on that. I was very, very careful in all the Press Conferences to use substantially the figure which was estimated last year, 3½ million. That does not mean we fall down if we get 3 million. I think those were the exact words I used over a month ago in the Press Conference, so that is not news.

Q Have you received reports from private business on the suggestion that they take over the principal responsibility in putting them back to work?

THE PRESIDENT: I have not heard a peep on that although there may be some in the office.

Q Better look into that.

THE PRESIDENT: If there is something there.

Q Have complaints of the exporters been forwarded to you in connection with the embargo on Italy?

THE PRESIDENT: I do not think I got that. I think it went to Washington. I saw all of the dispatches that came to us aboard ship but I did not get that.

MR. McINTYRE: What was that?

THE PRESIDENT: The protest of the export group on the Neutrality Proclamation.

MR. McINTYRE: I do not think it was forwarded to you.

THE PRESIDENT: I do not think it was forwarded to me.

Q There was a direct statement from the State Department that if anything was said, you would say it.

Q Is there to be a big political discussion on the way north? (Referring

to the President and Postmaster General Farley)

THE PRESIDENT: Not yet. I doubt very much if we will have a big political discussion.

Q Is there any need for one?

THE PRESIDENT: No.

Q You said you would talk principally with Secretary Hull. Any new move?

THE PRESIDENT: Oh, no, just to bring me up to date.

Q Have we been sounded out by the League of Nations yet?

THE PRESIDENT: No.

Q On economic sanctions?

THE PRESIDENT: No.

Q The State Department has some letter for you.

THE PRESIDENT: When did it come?

Q Yesterday.

THE PRESIDENT: I have not got it.

Q They say we should act in the Kellogg Pact because we got under it in Manchukuo.

THE PRESIDENT: We have acted, all right, under the Kellogg Pact, about two months ago.

Q Any hint of what our policy is?

THE PRESIDENT: I think we did it twice.

Q You mean by the declaration of the Secretary of State suggesting that the world --

THE PRESIDENT: (interposing) Yes. I think I said something about it too. Didn't I? I don't know whether I did or not.

Q You said that it should be preserved.

THE PRESIDENT: Yes.

Q When are you going to Hyde Park?

THE PRESIDENT: Sometime next week. It depends on how much stuff piles up. I have got to go as soon as I can get away. There are only three rooms in the White House ready.

Q And Warm Springs?

THE PRESIDENT: Toward the end of the month.

Q In view of this close association between Ickes and Hopkins, have there grown any changes or developments in the Works program?

THE PRESIDENT: Just as it was. I taught them how to catch fish.

Q Any discussion of next year's program?

THE PRESIDENT: No.

Q Mr. President, how big was that fish you caught?

THE PRESIDENT: After all, you saw the thing being caught; you ought to know.

Q We heard about it. We were trying to catch some ourselves.

THE PRESIDENT: You were crossing the Island that day. It was 134 pounds -- the second one -- and 9'6" long and a perfect specimen because the sail was not damaged at all. On the first one I caught, the sail was quite badly damaged by the line. The fish is now frozen in ice and is in an hermetically sealed coffin. Is on its way to the Smithsonian for them to mount it, if it still is in condition to mount, as a present from me.

Q That was caught off the Cocos Islands?

THE PRESIDENT: Yes, and the point we got the fish in the boat was exactly four miles from the place we hooked it. It was four miles out to sea and it was a rough sea, too. I had 400 yards of line out.

Q How long did it take?

THE PRESIDENT: Two hours and twenty minutes by the clock.

Q They told me you did not get up to breakfast the next day. How about it?

THE PRESIDENT: I did, too, but I took it awfully easy the next day, I'll tell you that.

Q Do you remember the day?

Q It was Friday, October 11?

THE PRESIDENT: That is right. It was Mrs. Roosevelt's birthday, and I sent her a radio telling her that I caught the fish in her honor on her birthday.

Q That is a new one, getting a fish story for her birthday.

Q Any other high points of the trip?

THE PRESIDENT: A good many of them; they could not be printed.

Q It was on Mrs. Roosevelt's birthday that you caught the fish?

THE PRESIDENT: She got something else but she got that too.

Q Did the low-cost housing projects on the San Blas Islands make any impression?

THE PRESIDENT: Absolutely. We are going to duplicate them -- and remember that all the ladies have to be in by sundown.

Q I am not in favor of it.

Q They even made the President of the United States get down there at sundown.

Q Is it true you are going to adopt a policy of rings in the noses for women in the United States?

THE PRESIDENT: After you get accustomed to it, in about half an hour, it is very charming. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #243,
Executive Offices of the White House,
October 25, 1935, 10.40 A.M.

(Secretary Morgenthau was present at this Press Conference.)

Q Good morning.

THE PRESIDENT: Good morning everybody. You look as if you have been out in the sunshine; you look fine. How do you think The Three Musketeers (referring to the three Press Association correspondents who had accompanied him on the trip to sea) look?

Q (Mr. Young) Fred (Mr. Storm) looks a little tired.

THE PRESIDENT: Quite rough the last few days.

Q (Mr. Durno) Did they weather it all right?

THE PRESIDENT: "Weather" it is a good word.

Q Did they weather Panama City?

Q We were not ashore long enough to really --

THE PRESIDENT: (interposing) No, he was a real sailor.

Q Get a lot of fish?

THE PRESIDENT: Got lots of fish.

Q Is this something new, Mr. President? (Referring to an article on the desk)

THE PRESIDENT: Yes.

MR. DONALDSON: All in.

THE PRESIDENT: I don't think there is any particular news this morning. However, here is a statement that I drew up yesterday afternoon in regard to the Agricultural Adjustment Act, which is to be ready for you when you go out. There's no use my reading it because it is two pages long, but the gist of it, the object of it is to clarify

certain matters in regard to the adjustment program policy. I will read just one or two excerpts to give you the point of view.

> "There are people in this country who can see no room for further progress in agricultural adjustment. Of these, some would be content to continue the adjustment programs exactly as they are. There are even a few supporters of the A.A.A. so well satisfied with what has been done that they would like to call the job complete and finished.
>
> "But it never was the idea of the men who framed the Act, of those in Congress who revised it, nor of Henry Wallace nor Chester Davis that the Agricultural Adjustment Administration should be either a mere emergency operation or a static agency.
>
> "It was their intention -- as it is mine -- to pass from the purely emergency phases necessitated by a grave national crisis to a long time, more permanent plan for American agriculture."

That, in the last analysis, means a long-range objective, and then it goes on and points out various abuses and the erosion of the Nation's soil resources.

> "Simplification of present programs, with a view to increased flexibility, would readily lend itself to the broad objectives outlined. Decentralization of machinery to get more efficient administration closer to the farmers already has begun, and will be vigorously continued. To simplify administration the AAA will work toward the objective of one contract per farm."

In other words, covering the various key crops raised on one farm.

> "The modifications planned, in addition to making administration easier, will facilitate production adjustment either upward or downward.
>
> "The time may come when the AAA will prove as important in stimulating certain kinds of production as it has been in removing recent burdensome surpluses. For example, an expanded production of hogs, to replace shortages caused by drought, is contemplated under the proposed new corn-hog program, which is put up to a decision of producers in a nation-wide referendum tomorrow.
>
> "Present and future production of supplies of food and fiber ample for this country's needs and for available export markets is a sound objective. However, there was nothing sound

in the situation in the past when, spurred by ruinously low prices, farmers have been compelled to mine their soil of its fertility by over-intensive cultivation in a race to make up in volume of units what they had lost in unit price. This has resulted in waste on a colossal scale. Dust storms and mud-laden streams have been symbols of this exploitation.

"Tens of millions of acres have been abandoned because of erosion. This jeopardizes both consumer and producer. Real damage to the consumer does not result from moderate increases in food prices, but from collapse of farm income so drastic as to compel ruthless depletion of soil. That is the real menace to the nation's future food supply. That has caused farmers to lose their homes. It has hastened the spread of tenancy. It lies at the root of many serious economic and social problems besetting agriculture.

"Already the adjustment programs have made important gains in conservation and restoration of soil fertility. Many millions of acres which farmers have signed contracts to divert from surplus production are being devoted to legumes, pastures, hay and other crops which fertilize the soil and protect it from blowing and washing.

"The long-time and more permanent adjustment program will provide positive incentives for soil conservation. The benefit payments can be made on a basis that will encourage individual farmers to adopt sound farm management, crop rotation and soil conservation methods. The crop insurance feature afforded by benefit payments will help farmers to maintain these beneficial systems of farming without interruption in poor crop years. Long-time adjustments can be adapted to natural soil advantages of regions and localities. Already the Adjustment Administration has under way local studies to help in working out farm programs on a county basis, so as to fit the best permanent use of the varying soil resources of the county, up to that county's share of available domestic and foreign markets. Thus, plans are being worked out that should encourage widespread cooperation of farmers in a permanent national soil maintenance program.

"The simplified and more flexible adjustment program of the future can be made to serve the permanent advantage of producer and consumer. It can iron out the succession of extreme market gluts and extreme shortages which in the past have alternately wrecked farm income and penalized city people with too high prices. It can protect the nation's heritage of soil, help farmers to produce up to the full possibilities of profitable export, and give this country the safest possible assurance of abundant food in the years to come."

Well, Steve will give you a copy of it on the way out.

Q Is that being put out in your name?

THE PRESIDENT: Yes. And I hope everybody will read it and I hope very much that the managing editors will read it because the average managing editor in the East knows no more about farming -- I was going to say a good deal less than a chicken. That is off the record. That is just a delicate hint. (Laughter)

Q Mr. President, is it your intention, is the intention of the Administration, to abandon the control of corn and hogs if the referendum goes against them?

THE PRESIDENT: I cannot see how we can go ahead with the corn-hog program if the farmers don't want it.

Q Do you think that the farm program is having any effect on our foreign markets abroad, cutting down our exports?

THE PRESIDENT: That is a pretty general question. Let me put it this way for background. We would sell more cotton abroad if we sold it at 6¢, some more, but what would happen to the cotton growers of this country? We would not sell anything like enough to make up the difference between 6¢ and 12¢. Therefore, the purchasing power of the Southern cotton farmers would be so drastically cut that we would have the same troubles in the South we had before. That is the simple example. Now you can multiply that ten times. If we would sell below the cost of production in this country, of course we will increase our markets. That is another way of putting it.

Q This program isn't stimulating production in competitive countries?

THE PRESIDENT: That is a very definite world trend, and was a definite world trend before we did anything. You will find that Brazil was

raising more cotton starting back in 1921 and 1922 with a fairly constant increase up to 1929 and 1930 and a comparatively small increase since then. Germany started ten years ago to increase their food production so as to become self-sustaining. France the same way. The British on their Islands, raise more and more of their own foodstuffs. That goes on all over the world. That has been a nationalistic tendency in every country, so far as I know. And that is what the Eastern managing editors do not understand. That is off the record, too.

Q Is that statement to be connected with the corn-hog program or not?

THE PRESIDENT: Oh, no. That has been preparing for a long time.

Q Are you planning any new statements on neutrality in connection with our reply to the League?

THE PRESIDENT: No. I think there will be something soon -- not from me -- that would be just the reply.

Q Could you tell us, if the League actually should impose economic sanctions against Italy, would you do what you could to restrain American trade from interfering with the effectiveness of the sanctions?

THE PRESIDENT: All you could do is read the law.

Q Could you give us your interpretation of that law? Is it such that it would be possible to extend such embargoes to oil or copper?

THE PRESIDENT: I think that question would have to be taken up when it arose. It has not arisen up to the present time.

Q Wasn't there a Standard Oil announcement saying they would send oil to Italy regardless of the law?

THE PRESIDENT: I don't think so. They have a subsidiary over there

which is conducting its normal business and nothing more, so far as I know.

Q Do you expect to see Mr. Beagle about that?

THE PRESIDENT: No.

Q Could you tell us whether Admiral Standley will be the chief American delegate to the Naval Conference?

THE PRESIDENT: We haven't got as far as that. We haven't done more than say that we would send some people over there.

Q What time do you expect to go away tomorrow?

THE PRESIDENT: I think a quarter before ten.

Q Get back Monday?

THE PRESIDENT: Get back sometime Sunday.

Q When are you going to Hyde Park?

THE PRESIDENT: I don't know. About the middle of the week. As soon as I can because the White House has only three rooms in commission.

Q Is it a safe guess that our reply to the League would be confined to a recapitulation of what we have already done?

THE PRESIDENT: I would not guess. (Laughter)

Q Have you fixed your Atlanta engagement?

THE PRESIDENT: No, I have not got my dates for that yet. It will be substantially a week before Thanksgiving, as far as I know now.

Q A week before the Thanksgiving week?

THE PRESIDENT: If I can get off as soon as that. What I ought to do is to have a couple of weeks back here -- what I ought to do is get back the week after Thanksgiving in order to get to work on the Budget.

Q When will this general farm contract plan be put into effect?

THE PRESIDENT: As rapidly as the machinery can be put into effect.

Q Mr. President, have you given any thought as to whether a provision should be made in the new Budget for building a battleship?

THE PRESIDENT: Only in general terms that we have a replacement battleship which it is possible to build, starting, I think, in 1937.

Q The end of the year, I think.

THE PRESIDENT: Yes, after the beginning of 1937, and they have been studying plans. That is as far as it has got. I don't know yet whether it will be included in the Budget or not.

Q Can the general farm contract be used under existing law?

THE PRESIDENT: I think it can.

Q Mr. President, sometime ago your Fish (?) Advisory Committee recommended that you make the last Tuesday in November Thanksgiving Day instead of Thursday because it found people had so much turkey on Thursday that they had no appetite for fish on Friday. Your Proclamation is about due now and I wondered if we might have an answer to it.

THE PRESIDENT: I think the answer on that is that I will take the people who featured that on the next cruise and they will catch so darned much fish that it will be all right.

Q Mr. President, will you add anything to what Chester Davis said the other day as to what is being tried on the boosting of exports by the use of tariff revenues under the present Agricultural Act?

THE PRESIDENT: I did not see it.

Q He spoke of the difficulties in selling --

THE PRESIDENT: Of course the situation on that is very different from what it was, even when the old McNary-Haugen Bill was passed and

vetoed, as I remember it, by President Coolidge, largely on the recommendation of Secretary of Commerce Hoover. It was vetoed at that time, but the conditions then were very different from what they are today. Foreign countries, away back in President Coolidge's Administration, did not have the same kind of embargoes on agricultural imports into those countries as they have today. For example, today Great Britain gives a very, very strong preference to British colonies. On wheat, Great Britain prefers to buy from Canada and Australia and not from us. France has a strong embargo on the importation of foodstuffs. Germany has certain embargoes and also great difficulty in paying in cash for what she does import.

Almost every country today has embargoes on the importation of foodstuffs. There has been a great change in the last six years, since 1929.

Q And all of those things operate against the effectiveness of any exports?

THE PRESIDENT: One of the great difficulties is to get those people to tear down their barriers so as to permit us to export more foodstuffs of all kinds.

Q Has Secretary Morgenthau made any report?

THE PRESIDENT: I have not had a chance to more than shake him by the hand yesterday at the train.

Q What is he going to do with all the gold coming in here?

THE PRESIDENT: That is a great problem. Like some other things, we cannot eat it.

Q In your admonition to American citizens not to trade with belligerents,

you advised them if they did trade or attempt to trade, they did so at their own risk. What about American ships that call at Italian ports, particularly where the American Government has a mortgage and holds the investment?

THE PRESIDENT: That is a nice one. I cannot give you an offhand reply to that.

Q Do you go to Cambridge (Maryland) on your week end?

THE PRESIDENT: We go across the Bay at Cambridge, turn around and pass through the drawbridge, and then head up the Potomac. No speeches -- just wave.

Q All we need to do is go to Annapolis?

THE PRESIDENT: Yes, unless you want to see me wave.

Q We would like to see you wave but there is a football game in Baltimore. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #244,
Executive Offices of the White House,
October 30, 1935, 4.05 P.M.

Q How do you do, Mr. President?

THE PRESIDENT: How do you do, everybody? How many people are coming up to Hyde Park? Are you coming, Russell (Mr. Young)?

Q (Mr. Young) Yes, sir. About eight or nine coming.

THE PRESIDENT: Well, you will have a good chance to play golf.

Q Hallowe'en Party tomorrow night?

THE PRESIDENT: Yes, I suppose so. I don't know if there are any children up there or not.

You are losing your tan.

Q (Mr. Storm) Going strong, Mr. President.

THE PRESIDENT: Stevie (Mr. Stephenson) still has his.

Q (Mr. Stephenson) Yes, sir; and keeping it.

Q (Mr. Storm) Big gate today.

MR. DONALDSON: All in.

THE PRESIDENT: I got a nice present today, a present that comes every autumn. The Director of the Budget came in and solemnly handed it to me. There it is, a whole blue pencil.

Q Not a red pencil? (Laughter)

THE PRESIDENT: And it has been working all right.

Q What can you tell us about the budget?

THE PRESIDENT: I suppose the time has come around, as it does every autumn, when I will have to read what I said last year at the end of October and the year before, and that is that the budget won't

be made up until the first day of January, and when it is made up, we will have our sit-around-the-floor conference upstairs in the Oval Room, with the financial brothers of the Press. Until that time I won't know anything about the budget and you will know less, a great deal less. Also, as usual about this time, there are all kinds of perfectly crazy stories written that nobody pays any attention to because they are all of them made out of the whole cloth, since there isn't any budget. This is just my annual warning on budget stories.

Q Dr. Tugwell, speaking at Los Angeles a couple of days ago, intimated that the lending agencies will be liquidated and five billion dollars applied to the public debt through recoverable assets.

THE PRESIDENT: And I should say that probably his story was almost as silly as the average press story. Not quite, because he does know more about the Budget than the press. Now, go to it from there.

Q Mr. President, Mr. Bell said he did not think they would be able to cut on the old, established departments. He thought it would have to come out of emergency relief.

THE PRESIDENT: Well, broadly speaking, the old departments will be held. Of course we did make, as you know, very, very drastic cuts, something like a billion dollars in the regular departments of the Government. I don't remember whether it was eight hundred million or a billion dollars, but back in 1933 we made tremendous cuts in the regular departments which we have substantially maintained since then. They will be maintained with the exception of certain additions for the regular departments that are caused by

the growth of certain types of business. Well, just for a very simple example, we are going to have about three thousand more Federal prisoners that we have to feed and clothe in the coming year than last year. Now, we cannot keep the cost of maintaining Federal prisoners down to what it was last year. Then we have to allow an additional amount for the War Department because of the Act of Congress last year which added 25 or 30 thousand more men to the Army. They have to be fed and clothed. But, outside of items of that kind, the regular departments will not show any increase.

Q May we interpret on this blue pencil?

THE PRESIDENT: What?

Q May we do a little interpreting on this blue pencil?

THE PRESIDENT: No, because it is the usual custom to wield it.

Q You were doing very good on the old established departments. Would you care to continue on the emergency?

THE PRESIDENT: Well, we have not got to it as yet. At the present time -- well, I did two departments today and two independent agencies.

Q When you say you "did" them, what do you mean by that? (Laughter)

THE PRESIDENT: Just that.

Q Mr. President, Secretary Hull, in his statement on neutrality today, said it is now the definite policy of the Government to discourage trade with belligerents. Does that mean that you are contemplating possibly stronger measures to restrain trade?

THE PRESIDENT: I thought you were going to ask that question. Since it relates to foreign affairs, I dictated something in reply to that question and Steve (Early) will have it for you. This is not --

don't use it as a statement by the President. I have to be very careful to use correct language on foreign affairs. It is just headed as a statement because we want to be sure to use the proper language. (Reading)

"In dealing with the conflict between Ethiopia and Italy, I have carried into effect the will and intent of the Neutrality Resolution recently enacted by Congress. We have prohibited all shipments of arms, ammunition, and implements of war to the belligerent governments. By my public statement of October fifth, which was emphasized by the Secretary of State on October tenth, we have warned American citizens against transactions of any character with either of the belligerent nations except at their own risk.

"This Government is determined not to become involved in the controversy and is anxious for the restoration and maintenance of peace.

"However, in the course of war, tempting trade opportunities may be offered to our people to supply materials which would prolong the war. I do not believe that the American people will wish for abnormally increased profits that temporarily might be secured by greatly extending our trade in such materials; nor would they wish the struggles on the battlefield to be prolonged because of profits accruing to a comparatively small number of American citizens.

"Accordingly, the American Government is keeping informed as to all shipments consigned for export to both belligerents."

MR. EARLY: I think, Mr. President, you will have to make that a statement.

THE PRESIDENT: That is all right, you can use it as a statement, if you want.

Q That statement is not to be quoted?

THE PRESIDENT: Yes, that can be quoted.

Q This Government is keeping informed, sir, to what end? (Laughter)

THE PRESIDENT: That is all for today.

Q Mr. President, is any liberalization of the regulations governing information as to exports to be made? At present the Treasury

regulations do not allow the name of the exporters to be made public.

THE PRESIDENT: That is putting, in other language, what Fred (Mr. Essary) just asked. (Laughter)

Q I was just going to ask, in connection with the plans for the new permanent N.R.A., of which you spoke last Friday, if those plans involve anything new or additional for the protection of consumers?

THE PRESIDENT: I don't know. I have not discussed it at all since I got back. I have not thought of it.

Q Mr. President, have you asked the Governor of Maine to call a special session to consider a Quoddy Authority?

THE PRESIDENT: I haven't heard of Quoddy since I got back. I don't know what has happened there.

Q Will you require any special session?

THE PRESIDENT: That depends on the Governor of Maine. I haven't heard a thing.

Q Can you tell me whether you think a State Authority is necessary to the continuance of Quoddy?

THE PRESIDENT: I don't know enough about it.

Q On the neutrality thing, would it be a correct statement to say, on our authority, that it is the policy of the Government to discourage extraordinary trade with the belligerents?

THE PRESIDENT: No, I am not saying anything about that further than the statement.

Q Is the Government interested in shipments of such things as oil to neutral powers for trans-shipment to belligerents? I understand that Germany is being --

THE PRESIDENT: (interposing) I take it that that would be taken into consideration in exactly the same way that I said that anything going to belligerent governments would be checked up on. Of course, in the case of proscribed articles -- arms, implements of war, munitions -- it prohibits their shipments either to belligerent countries or to a neutral country for trans-shipment.

Q Can you tell us anything about some of the temptations that have been presented so far? (Laughter)

THE PRESIDENT: Well, yes. I will tell you a story on that and it is rather an interesting one. I see no reason why you should not use it. When I was at Hyde Park a very splendid old gentleman came to see me, Mr. Johnson of the Endicott-Johnson Shoe Company. Mind you, that was before hostilities had started. It was about the 19th or 20th of September. Mr. Johnson said to me at length, "I would like to ask your advice. I have had an order from the Italian Government for a very large number of pairs of shoes." I said, "What are they, ladies' slippers?" He said, "No, they were heavy shoes." I said, "Shoes that could have been worn by soldiers?" He said, "Yes, I'd say so." I said, "Well, what is the question?" He said, "Would you fill the order if you were the Endicott-Johnson Company?" I said, "No, I would not." He said, "All right, I won't."

Q Hasn't that order been filled? (Laughter) Hasn't some other American firm filled that order?

THE PRESIDENT: I don't know. All I know is this story I told you. I have been away over a month since then, but that is what Mr. Johnson told me.

Q Would your prohibitions include such commodities as wheat or cotton,

or just those implements of war?

THE PRESIDENT: Nothing further than stated.

Q Have you had an opportunity to read over the replies from the clergy sufficiently to comment on them?

THE PRESIDENT: Oh, I am in the process of reading them. They are, most of them, extremely interesting and very responsive to the questions I asked and I am continuing to read them.

Q Has the Reverend Dr. Eaton, a Member of Congress, replied?

THE PRESIDENT: I don't know. Is there a clergyman?

Q He used to be Rockefeller's clergyman but he has not been for a long time. He announced he received one of your letters as a clergyman.

Q Mr. President, in the spring you had a formula for unemployment relief which was about three and a half million to be employed in private industry and three and a half million to go into state and local agencies. Has that formula been worked out?

THE PRESIDENT: As far as the Government figures are concerned, pretty well.

Q The latest figures of unemployment have not gone down in the same proportion as the formula would indicate.

THE PRESIDENT: All I can tell you is that the Government figures are coming through true to form.

Q You expect to have the great majority employed by November?

THE PRESIDENT: Yes.

Q You haven't any figures on private industry?

THE PRESIDENT: No, only the general index got out by the statistical services, and of course that is a problem, that industry hasn't come forward with any kind of an answer to. One of the charts, for

example, -- I have forgotten which service it is -- showed that on the '29 basis three separate lines, all at the 100% level, taking them as of that date. Production 100%, number of people employed 100%, taking whatever the number was, and payrolls 100%.

Between that time and today, of course, all three of those lines went way, way down. The total production line, that is to say the goods manufactured, went down a great deal less than the number of people employed and, as I remember it, still less than the payrolls, weekly payrolls. The result was that at the peak of the depression you had those three lines down to the center of the depression. Production was around 60%, number of people employed 40%, and payrolls 40%. Now, since 1933, these three lines have come back. But the problem is illustrated by the fact that while production is back to about 90%, the number of people employed --

Q Around 82%, I think.

THE PRESIDENT: -- around 82%, and payrolls about 74%. Now, of course, the problem is to find out why, with production back to 90%, the number of people employed are only 82% and the volume of wages is only 74%. I am asking industry for suggestions about bringing those two lower lines up to meet the 90% figure.

Q That there has been technological improvement in the last five years is one and increased profits is another.

THE PRESIDENT: Yes, and of course if those lines continue to be far apart, where do we get off?

Q Isn't employment much less than statistics indicate, any statistics we have?

THE PRESIDENT: Oh, undoubtedly. Of course, here is one of the problems

that we have. I always love to go back to the managing editor. The all-wise managing editor will print one week a story that there are twenty million people out of work, meaning, of course, not only the working people, the wage-earners out of work, but also their wives and children. Then, of course, the next week they will come along and say ten million, because the American Federation of Labor gave that figure. Then the next week they will say, "Why hasn't the Government got statistics on unemployment?"

I have been trying for two years to get definite statistics on unemployment and the difficulty is this: No two people will agree on how a person should be listed. Well, for instance, I have a great illustration in mind. It is a family I happen to know. The father, mother and two daughters. The father is a man of about 55. He gets occasional work. He is a good workman and he has, through think and thin, supported his family. He is a journeyman carpenter in a small community. If the fellow with a card happens to ring his doorbell next Monday, he may not be on a job that particular day. The man ringing the doorbell lists him as unemployed and yet he has supported his wife and two daughters through the depression without going on the relief rolls. But, because he might happen to be out of a job that minute, he might be counted as unemployed.

Now, let us take the next step. The oldest daughter is a girl about 27 or 28 who gives piano lessons. Now, she only gives piano lessons for what you and I call "pin money". She knows she will be supported at home. She earns, some years, a couple of hundred dollars, in some years perhaps three hundred. She gives occasional piano lessons and whatever she makes provides dresses and

perhaps contributes a little to the family purse. Is she unemployed or not? I don't know. No two of us would agree whether she is employed or unemployed. She probably would be included in the American Federation of Labor figures.

Now the other girl. She is a second grade teacher. You might almost say she has only had a high school and one year in normal school and is about 24 years old. She also gets occasional teaching jobs when they need a replacement teacher in the local schools because one of the regular teachers has been taken sick. She also works a total of anywhere from a month or two or three months a year as a relief teacher. That is her pin money. She lives at home with her father and mother. Is she unemployed? Will she be listed as unemployed when the census-taker comes around? I don't know. It is almost impossible to get figures on unemployment that will stick unless you lay down absolutely hard and fast rules, and then you have questions, one way or the other, on the figures.

Q You would have a standard though. You could have an index, the same as you have on commodities and other things, just as the A. F. of L. has a standard and shows whether it goes up or down.

THE PRESIDENT: But, after all, the A. F. of L. is only based on a very small percentage of actual figures. It is not a census. If they check, let us say, on forty million people, they only get actual figures on perhaps four million, and from those they estimate the other thirty-six million. Now, what is that worth? I don't know. It is awfully difficult.

Q Did you say you are asking industry for suggestions on how to bring up the ratio of employment and payrolls?

THE PRESIDENT: Yes.

Q Can you tell us in what way?

THE PRESIDENT: No, I cannot give you any details, except I am asking the opinions of various people individually.

Q Is it possible that the divergence in the three lines might be explained by stretchout and work spreading?

THE PRESIDENT: You mean the question of reducing the hours per day? Oh, I see what you mean. It may have been increased by that.

Q Yes.

THE PRESIDENT: It was increased by that in certain industries. It depends on the industry.

Q On this conference you are calling, will the question of N.R.A. be the main one?

THE PRESIDENT: I am not calling a conference.

Q The industrial people?

THE PRESIDENT: I have them in one at a time.

Q Is that apart from Major Berry?

THE PRESIDENT: Entirely.

Q Were some of them in today?

THE PRESIDENT: They are in every day.

By the way, I have got here the corn-hog figures. I thought you would all be thrilled by them. (Laughter)

Here is something you all ought to know: (Reading)

"In connection with the number of commercial corn and hog farms, the 1930 census reported 1,686,000 farms on which sows were farrowed in the spring of 1930. The number of farms farrowing only fall pigs is negligible. Practically 30 percent of the farms on which pigs were farrowed in the

spring of 1930 farrowed only one sow. Very few, if any, of these one-sow farms raised pigs for the commercial market. The number of farms farrowing two or more sows in 1930 was less than 1,200,000. Probably some of the two-sow farms were not commercial producers. It appears unlikely that more than 200,000 farms raised more than ten acres of corn for grain without also having two or more sows farrow."

Now, there you have it. I will have Steve (Mr. Early) write it out for you if you want it.

Q Do you care to make any comment on the letter of Mr. Carmody about the Catholic situation in Mexico?

THE PRESIDENT: No, I have it in my basket. I am about two days behind in my mail and I expect to work on it tonight.

The total vote by states is here. Do you want, Steve (Mr. Early), to give it out?

MR. EARLY: I suppose so.

THE PRESIDENT: Steve will give it to you.

Q What is the total?

THE PRESIDENT: I suppose it is down in this story about the sows farrowing.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #245,
Held in the Study of the President's Home,
at Hyde Park, New York,
November 1, 1935, 11.00 A.M.

Q Good morning, Mr. President; we expected to see your house all tumbled in.

THE PRESIDENT: Did you people feel it? (Referring to the earth tremors the preceding evening.)

Q We were all asleep.

THE PRESIDENT: At ten minutes past one?

MR. EARLY: They were not, sir; not even at ten minutes past two.

Q The tap room was solidly constructed.

THE PRESIDENT: That is good.

Q Did you feel it?

THE PRESIDENT: Sure; it woke me up. I realized what it was as soon as I woke up. There was a very definite shock here.

Q Did you recognize what it was?

THE PRESIDENT: Yes, by process of elimination I knew it couldn't be anything else.

Q Do you ever recall any other up here?

THE PRESIDENT: I remember one when I was a small boy.

Q How long did it last here?

THE PRESIDENT: I'd say fifteen seconds but that is pure guess; might have been thirty.

Q What woke you up, a noise or a trembling?

THE PRESIDENT: The whole house going sideways.

Q There wasn't any noise, was there?

THE PRESIDENT: No.

Q Any damage done anywhere?

THE PRESIDENT: Not that I know of, not around here. Quite a number of people were awakened. The lights went on and the troopers ran around the house.

Q We just got through writing a story about you directing some earthquake relief down in Montana.

THE PRESIDENT: I did that last night by telegraph. Of course it is just a continuation of what we have been doing out there ever since they had those things. I sent word to the senior Army officer in the Red Cross and the senior relief man to get together on the thing and pool their efforts for relief. I think that is about all.

Q McDuffie (the President's valet) gave you kind of a close (hair) cut this time, Mr. President? (Laughter)

THE PRESIDENT: Off the record, poor McDuffie had a bad time because my mother and Miss LeHand were standing over him, telling him how to cut my hair.

MISS LeHAND: That is why it is so successful.

THE PRESIDENT: I don't know; I have not looked in my glass. McDuffie had a bad time.

Oh, I got my first pictures of the sailfish from the Smithsonian. This is the way the thing arrived -- there is the corpse (indicating) and there are the photographs -- they are all the same.

Q Are they going to keep it in the institution?

THE PRESIDENT: Yes.

Q How much did it weigh?

THE PRESIDENT: 13¼ pounds.

Q How long did it take you to land it?

THE PRESIDENT: Two hours and twenty minutes.

Q Here is a story -- he is sticking to the same story. He hasn't changed it at all. (Laughter)

THE PRESIDENT: But the chief reason is that the Pacific sailfish is a good deal bigger than the Florida Key sailfish and I did not know whether the Smithsonian had any specimen or not. I took it up on the chance and they telegraphed me and said they would be delighted.

Q Is this the biggest sailfish?

THE PRESIDENT: No, the biggest one was caught off the Pearl Islands by Zane Gray about eight or ten years ago and it weighed, I think, about 180 pounds. We did not see any when we were in the Pearl Islands. We got all of ours at the Cocos. Gus (Gennerich, the President's bodyguard) got the biggest but it didn't come on board in quite such good condition as mine. You see, when the fish takes the hook, it jumps and it is very apt -- my first fish jumped four-teen times -- and they are apt to get the line caught on the sail and it is busted.

Q I got one in Miami that weighed 49½ pounds, supposed to be a pretty good fish for those waters. It was big enough for me.

THE PRESIDENT: How long did it take?

Q About forty minutes, forty to fifty. Of course, in my case, the skipper of the boat did all the maneuvering. The way they handle those boats all you have to do is to keep reeling and giving them the line.

THE PRESIDENT: I had the Chief Machinist's Mate go in the launch. He handled it pretty well.

Q I did conform to the rules.

THE PRESIDENT: That is the reason we outlawed Gus, who caught the biggest fish, because he got a cramp in his forearms and, of course, in that motor sailer it was terribly hard to maneuver it and they had a bad time.

Q Any callers scheduled?

THE PRESIDENT: No.

Q Anything on the foreign situation today, Mr. President?

THE PRESIDENT: I have not had a peep. I have not heard from Washington since I left. I am not doing anything on the Budget. This has got to be a negative day. I know the bad time The Three Musketeers had on the trip for several days when there was no news except compass reports and what the weather report said, and they are so well trained now that they only send the news.

Q Unless they give us twenty cents a word. (Laughter)

Q I saw a story this morning that you had arrived to take personal charge of electing a Democratic Assembly in New York State?

THE PRESIDENT: That is another one. Well, knowing the source, that is all right.

Q Who wrote that? (Laughter)

Q (Mr. Lindley) I read a story about Jim Farley sending out 240,000 personal letters?

THE PRESIDENT: That may be true. I don't know. Now, we are changing the subject.

Q (Mr. Lindley) I still cannot find the story about Mr. Roosevelt assuming personal charge.

Q Will Governor Lehman be here this week end at all?

THE PRESIDENT: No; I do not think there is anybody coming.

Q What did you do to celebrate Hallowe'en?

THE PRESIDENT: I went to bed and got awakened by the earthquake.

It is going to be a very dull day. I am going to take a drive this afternoon, rain or shine.

Q Hear what happened to Steve Early yesterday afternoon?

THE PRESIDENT: No.

Q It cost him three bucks playing golf.

Q What did he do, give everybody two strokes a hole?

MR. EARLY: No, sir; I gave them the handicap they needed and Fred Storm was twenty-one strokes under the handicap he got, which was 125.

THE PRESIDENT: That is a big handicap.

Q Steve took the boys out for exercise and made them play golf. They sent Mac (Mr. McIntyre) a telegram last night and said that a special leader is badly needed.

MR. EARLY: They told him not to come until he finished his inventory and found out whether he was in the black or red.

Q Did we get an answer today?

MR. EARLY: No.

Q Maybe he is coming?

MR. EARLY: Do you know who played golf with Mac yesterday afternoon? None other than Walter Hogan.

THE PRESIDENT: He has taken to heart what I said about improving his game. He will get under a hundred yet.

Q Yes, if he gets a course large enough.

Q Any more news?

THE PRESIDENT: I cannot think of a thing. I am going on a picnic Sun-

day after church.

Q Val Kill?

THE PRESIDENT: No, off in the hills somewhere.

Q Just a family picnic?

THE PRESIDENT: Yes.

Q Will the children be here?

THE PRESIDENT: Yes, some of them will.

MR. EARLY: Automobile ride and then lunch in the country, on the mountain top, instead of a Sunday picnic.

THE PRESIDENT: Yes, after church.

Q Whereabouts?

THE PRESIDENT: Back in the county.

Q Can you tell us what you are working on -- anything that would make news?

THE PRESIDENT: I do not think there is any. I have to go into these pamphlet cases, which got terribly scrambled and have to be resorted. All those underneath you have to be resorted out. I was absolutely up to date last night.

Q Anything you can tell us off the record about this foreign situation? We are still puzzled about that last statement a little bit.

THE PRESIDENT: I hear the U.P. has a story on it.

Q (Mr. Storm) New York told me last night that the Pope had suggested that the League of Nations grant Italy a mandate over Ethiopia and they also gave us the direct quotes.

Q (Mr. Stephenson) That is a U.P. story.

Q (Mr. Storm) You see, we have a weakness for Popes.

Q Be careful of Eddie's (Mr. Roddan's) feelings.

THE PRESIDENT: You had nothing like that.

MR. EARLY: A.P. on the Pope and U.P. on the rumors.

Q (Mr. Stephenson) Every Press Association, at one time or another kills the Pope.

Q There is still Eddie's question.

THE PRESIDENT: I was asking Fred (Mr. Storm) about it.

Q (Mr. Stephenson) That's this U.P. information.

Q (Mr. Storm) Always reliable, I might add.

Q (Mr. Stephenson) May I quote you on that?

Q (Mr. Storm) Absolutely.

Q Speaking about the Pope, have you written to Mr. Carmody of the Knights of Columbus?

THE PRESIDENT: Not yet.

Q (Mr. Stephenson) I went out and put some soap on some Catholic windows last night. (Laughter)

Q (Mr. Storm) You remember old George Danver up in Albany? There was a fire in a big Methodist church and George was looking out of the window and Eddie Bates (?) was standing next to him. George with a satisfied look said, "Well, another Methodist church gone to hell," and Eddie registered a formal protest. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #246,
Held in the Study of the President's Home,
at Hyde Park, New York,
November 6, 1935, 11.00 A.M.

(Reverend Frank Wilson of St. James Church at Hyde Park was present at this Conference.)

Q Good morning, Mr. President.

THE PRESIDENT: Well, Russ (Mr. Young), how are you feeling?

Q (Mr. Young) Fine, Mr. President. In my story yesterday about the voting, I mentioned the fact that Mrs. Helm and Mr. Early were two voters who had never had the privilege of voting by reason of their Washington residence. They never even mentioned the fact that you had voted.

THE PRESIDENT: It would be awfully easy to give them a vote in Hyde Park instead of a vote in the District. All they would have to do is vote right here.

MR. EARLY: And pay taxes.

Q Anything on the voting yesterday?

THE PRESIDENT: As usual, off the record and not for attribution. Poor old Ernest's (Mr. Lindley's) face goes down like that (indicating). In other words, the same as when I was Governor and last year and the year before, I will not talk for publication or for attribution.

Q That will be for background?

THE PRESIDENT: Yes.

Q "Close friends represent you as feeling that way or this"?

THE PRESIDENT: I think that will be all right. This will be a case -- and it is really true -- of using that phrase. (Laughter)

It is great fun to razz him -- to put George (Durno) on the spot.

MR. EARLY: How about that one in the corner? (Indicating Mr. Trohan)

THE PRESIDENT: Yes. Let us go around the circle. (Turning to Mr. Roddan) I don't know -- the Universal Service said last night I was opposed to Pecora's election.

Q (Mr. Roddan, representing Universal Service) I did not see that.

MR. EARLY: Pecora was defeated but the candidate was a friend of yours.

Q (Mr. Roddan) That is a libel, Mr. President.

THE PRESIDENT: That is all right; I have not picked on you in years.

Q (Mr. Roddan) You haven't had any occasion for it. (Laughter)

Q (Mr. Trohan) He is a little hurt about a note he got the other day.

THE PRESIDENT: Yes. It has always been Stevie who has been picked on and now it is Eddie's turn.

Q (Mr. Roddan) You certainly did a thorough job. (Laughter)

THE PRESIDENT: Well, what do you want to know? We elected a Supervisor in the Town of Hyde Park the first time in thirty-five years, which is going some.

Q One of the bulletins last night said you took the defeat very philosophically.

THE PRESIDENT: Whose defeat?

Q The New Deal's.

THE PRESIDENT: Let's take the State (of New York) to analyze first. Let's take the State.

Q What does it mean?

THE PRESIDENT: Not a damned thing. Ernest (Mr. Lindley) can check this: First take the State in 1928. I won by 25,000 in the State and the

total popular vote for Assemblymen that year, as I remember it, we got 62 Assemblymen, and the total vote showed a Democratic majority or plurality over the Republican vote for Assemblymen of about 50,000. In 1930 I won by 725,000 and that year the Democratic majority for Assemblymen was about 500,000 -- a little less than 500,000. Of course we did not carry the Assembly -- we got 66, I think, that year.

In 1931 it ran about the same, about 450 to 500,000 and we did not carry the Assembly. That was my third year in Albany and I think we had 66, something like that. I have forgotten the 1929 figures but they are all substantially the same.

In 1932 I carried the State by 550,000, about, and I think there were 68 Democrats elected and the total vote on Assemblymen was about 450 to 500,000 Democrats.

In 1933 we had approximately the same result -- nobody running for State office.

In 1934, last year, we got 77 and the total vote ran to about 525,000 for the Assemblymen and Lehman (Governor Lehman) won by a great deal more. That is the majority total. Lehman won by 817,000.

This year we are back to about 1930, 1, 2, 3 and 4 totals, and you will find, when you check up, that the total majority is 450 to 500,000 Democratic.

Q This year? You think so?

THE PRESIDENT: Yes.

Q In other words, you think this is --

THE PRESIDENT: (interposing) In other words, about the same thing.

Just compare the up-State results this year with the up-State results in 1933. You will find a great many more very close districts than there were in 1933, and that is why Farley thought he was going to do better than he did.

MR. EARLY: That would be true of 1934 too, would it not?

THE PRESIDENT: You very nearly had the up-State vote except in one or two places.

Q (Mr. Storm) There have been a lot of reports that this Assembly vote has been a repudiation of the New Deal, inasmuch as the Republican Party made the New Deal the issue. Do you regard the 400,000 majority of the Democrats as a reply to those charges?

THE PRESIDENT: No, not a bit, one way or the other. In some cases a few voters were fooled by it, but a mighty few.

Q Do you regard this as a violation of the constitutional rule that the majority shall rule?

THE PRESIDENT: No, because it is under the Constitution.

Q Under the State Constitution?

THE PRESIDENT: It follows the State Constitution.

Q The makeup of the Assembly in this State is on the same principle as the United States Senate -- geographical representation.

THE PRESIDENT: It provides that more than half of the Assembly shall come from outside the City (of New York). So, it is a perfectly normal thing, which still leaves the total Democratic vote somewhere around between 450 to 500,000 -- I haven't checked the figures and I am guessing at them -- Democrats on the total State vote.

Well, just to show that the local issues amounted to a whole

lot more, the popular mayors in up-State cities won, or mayors who had done something that was not liked were defeated. There were quite a lot of Democratic mayors elected. About, I should say, a normal number. In some cases they carried towns and cities where they had previously lost. Just like this vote in Hyde Park, that was a personal thing in this town. There wasn't anything New Deal; it was not that; it was because one man was unpopular and the other fellow was popular. It was just the same in Poughkeepsie. Spratt ran ahead of his opponent because he was popular. Poughkeepsie is normally Republican but Spratty was liked.

So much for the dopesters.

Q This is quite a lot of dope.

THE PRESIDENT: This human equation, in this kind of an election, counts for an awful lot.

Q It does in national elections too, Mr. President. (Laughter)

Q What about Philadelphia?

THE PRESIDENT: A great victory; an enormous victory. Again, go back five or six years and see what the vote has been in Philadelphia in five or six years. What was it, 200,000 in 1928? More than that.

Q The Philadelphia Bulletin might be able to give you data on that.

Q About 240,000 in 1928.

THE PRESIDENT: What was it in 1930?

Q Approximately the same.

THE PRESIDENT: In 1932 I lost Philadelphia by 150,000.

Q Less than that; 125,000, I think.

THE PRESIDENT: And in 1934 how did it go with George Earle and Guffey?

They lost it by about 100,000?

Q Less than 100,000 -- 75,000.

THE PRESIDENT: What has Wilson won by?

Q 30,000 on the outside.

THE PRESIDENT: No kick about that.

Q The personal equation is there, on Philadelphia.

THE PRESIDENT: No, I think the personal equation comes in less in Philadelphia, but there has been a complete political change compared to five or six years ago. The old machine busted up for various reasons and now we are getting a re-alignment on both sides.

Q Both sides.

MR. EARLY: Your younger vote, too, has something to do with it.

THE PRESIDENT: I suppose so. It is all over.

Q It has, especially in Philadelphia.

THE PRESIDENT: It has up here. You are getting more and more of an independent vote. The younger voters are less bound by party ties all the way through.

Q There was a religious issue there too. The Republican was a Catholic and they never had a Catholic in Philadelphia. Mr. Kelly's supporters said, "That is all right; he has been excommunicated." (Laughter)

Q If he is reelected, they (the Catholics) will get him back in. (Laughter)

THE PRESIDENT: Of course we haven't heard from Kentucky. Nobody has any idea.

Q We should be getting some word soon.

MR. EARLY: They don't begin to count until ten o'clock in the morning.

THE PRESIDENT: They don't wait for the evening to count it.

Q Did they kill anybody down there?

THE PRESIDENT: Remarkably few.

MR. EARLY: McIntyre was an absentee voter.

Q What did you make out of the revival of the Democratic Party in New York City?

THE PRESIDENT: How much of a revival was it?

Q They swept out the Fusion people pretty well in the Board of Aldermen.

THE PRESIDENT: In other words, it is running true, again, to past performances. I don't think there is anything significant about it and I don't think McGoldrick handled his campaign particularly well. There was too much mudslinging and it doesn't pay. That is what the Brooklyn people said. Quite a lot of independents in Brooklyn told me he was making a mistake.

Q He wasn't a strong candidate anyway.

THE PRESIDENT: He made a personal issue of it. I remember my campaigns for Governor. I never mentioned the other fellow and he would get awfully sore.

Q You are going to see Mr. Young today, Mr. Owen Young?

THE PRESIDENT: Yes.

Q On what?

THE PRESIDENT: Education.

Q Is he the director of the youth movement?

THE PRESIDENT: Yes.

Q He has some special job in New York State?

THE PRESIDENT: Yes, he has some job in New York State.

Q What is it, do you know?

Q I think, 4 or 5 hundred thousand dollars was given to make a complete

survey of education in New York State. He is one of the members of that.

THE PRESIDENT: Yes. Of course we are working ahead in this State towards the consolidation of school districts and things of that kind and increasing the standard of teacher qualifications. Those things are tremendously important.

Q And that is what you are going to discuss with Mr. Young?

THE PRESIDENT: Yes. And also, probably we will talk about the problem of vocational education for younger people because in a good many trades at the present time -- not a good many but some trades -- we have an actual shortage of skilled labor. Of course, perfectly naturally, during the last five or six years there have been very young people learning trades.

Q For instance, in what?

THE PRESIDENT: In the machine tool trade. It is hard to get sufficient qualified people that you can use. This is not off the record -- it is all right.

Q Anything else with respect to Mr. Young? The foreign situation?

THE PRESIDENT: I don't believe so.

Q Can you tell us any developments on the foreign situation with respect to the visit of Mr. Baruch yesterday?

THE PRESIDENT: He was over there twice this summer and he told me about his general observations -- the difficulties in Europe. It is not encouraging. Nothing that comes over is particularly encouraging. That is why I am spending such an awful lot of time on the foreign situation. It is a good deal more worry to me personally than the domestic situation.

MR. EARLY: I think you can tell us all about your departure plans tomorrow -- the visit to the City (of New York).

THE PRESIDENT: We will leave about three o'clock tomorrow and motor down. It has been a couple of years since we have motored down.

Q Not since you have been President.

Q The last time was right before Inauguration.

THE PRESIDENT: I think that is right. I want to see the river and go to 49 East 65th and dress. Then I will go down -- I don't know what the time of the dinner is -- to the Masonic Temple.

MR. EARLY: Will the dinner be at the Masonic Temple?

THE PRESIDENT: Yes, just a very small dinner with the officers of the Grand Lodge.

Q The dinner at the Temple?

THE PRESIDENT: Yes, only ten or fifteen at the dinner, and then the ceremonies after that. We will get through between ten and eleven and then I will go to the train and be back in Washington at 8.30 the next morning.

MR. EARLY: You omitted one very important thing: What time will the train leave?

THE PRESIDENT: I will give you a lot of time -- one o'clock.

Q Do you have an active part in the ceremonies, or are you merely going to be present?

THE PRESIDENT: I don't know.

Q I saw something in the New York papers that you were going to induct.

THE PRESIDENT: Probably assist in it.

Q What degree is he taking, the Third Degree?

THE PRESIDENT: Third degrees -- Franklin and Jimmy. Elliott went in

before I went down to Washington.

Q Are you taking Jim Farley along with you, Mr. President? (Laughter)

THE PRESIDENT: I had him at the Shriners, you remember that? him and Joe Kennedy.

Did you ever hear of the hoax I pulled on Joe Kennedy?

MR. EARLY: At the Shriners? That is a good story.

THE PRESIDENT: This is off the record. I said to Joe before the Shriners' Parade, "You know, I am all alone. Why don't you come and join me at it?" He said, "My God! I go to the Shriners' Parade?"

I said, "Sure, Jim Farley is coming." I didn't know whether he was but he did. And he said, "Jim is coming? Is that a command?" And I said, "Sure."

And so Joe arrives and Jim Farley too. It was a terribly rainy night; it did not last very long, only about a quarter of a parade.

They went back -- Joe had been sliding behind the police all the time so that the photographer wouldn't get him -- and he went up to Hainesport. I waited about two and a half weeks and at the end of July I sent him a telegram. I picked any old name out of the telephone book, John Turner or something like that: "Honorable Joseph P. Kennedy. In accordance with our delightful conversation the night of the Shriners' Parade, will it be convenient for you to go through the ceremony the first week of September? A large and distinguished gathering will be here to welcome you. Please wire as quickly as possible to Admiral Cary T. Grayson." Cary did not know anything about this either. "We

count on your presence and the ceremonies will be made as easy for you as possible. John Turner."

I sent this off and Joe got it there and he had a fit because that night, when he was leaving the White House in the rain, after the Parade, one or two high-muck-a-mucks in the Shrine said, "Can't we give you a lift?" and so they gave him a lift and Joe said, "My heavens! what did I say that night? I know I was perfectly sober. What could I have said?"

And then said, "I wonder if this is a hoax." So he got hold of a secretary and said, "Run this thing down." They checked and found the telegram had been sent from the Willard Hotel. I did not let it go out of the White House. He told the wife and children and the whole Kennedy family went up through the roof and they remained up through the roof all of August. He tried to find out about it and he called Cary Grayson and Grayson said, "I don't know anything about it except that I got a message that I might get a telegram from you and that I would be called up later to find out if I had. I have had no call nor a telegram." "Well, said Joe, "are you a Shriner?" and Cary lied like a trooper and said, "Of course I am a Shriner."

About the twenty-fifth of August I was talking to Joe on the telephone from the White House -- he was still up on the Cape -- and at the end of the conversation I said, "By the way, Joe, are you going to be down here the first week in September?" Joe said, "You blankety blank blank." Just like that, and to the President of the United States. (Laughter)

Q He finally got wise?

THE PRESIDENT: Yes. He had a bad month. So this Christmas I am sending him my red fez, all wrapped up with blue ribbon.

Q Anything more on the Chicago visit?

THE PRESIDENT: No. It is just that I promised to go for the last three years and I have to go this year.

Q When are we leaving for Warm Springs?

THE PRESIDENT: The twentieth or twenty-first. We will get two weeks and two days down there, and then leave there probably on the eighth.

Q Instead of all this background, why can't we use just one sentence for attribution and not for quotes?

THE PRESIDENT: I won't, because it is a regular rule since 1928. The only statements I made in 1928, 1930 and 1932 -- I think I said the result speaks for itself, or something equally sententious.

Q I don't know how we can have Fred's (Mr. Storm's) filing that you don't think it means a damned thing and get away with it in the papers.

THE PRESIDENT: As a matter of fact, what I feel is that it is just about a carrying on of what happened since 1930. That is what it is. There has been no shift one way or the other. If you take popular majorities you find it just about the same as they have averaged since 1930.

Q On the foreign situation, is there any new move contemplated by you?

THE PRESIDENT: No.

Q Anyone else today besides Mr. Young?

THE PRESIDENT: Not a thing. I will take a drive this afternoon around the place.

Q Cut your Christmas trees?

THE PRESIDENT: I had a man come up on the Christmas trees. I expected to sell the first batch this year but he advises me to let them grow a foot higher. Next spring I am putting in about eight acres in new Christmas trees, in April.

Q How many trees does that mean?

THE PRESIDENT: On the Christmas tree basis, it means about 1600 to the acre.

Q About 12,000?

THE PRESIDENT: Yes, about 12,000.

Q Little fellows.

THE PRESIDENT: And it takes them between eight and ten years to come to maturity. This new farm of 72 acres that I bought last fall, with that I hope to get a full production of Christmas trees somewhere around six to eight acres a year. I think it pays, as a crop.

Q Once you get it started.

THE PRESIDENT: Once you get the rotation going, it is all right. We have a pretty good market around here without even going to New York City. There is Poughkeepsie and Peekskill and Yonkers and Newburgh, places within easy trucking distance, so you have no freight charges.

Q In your Christmas Proclamation will you mention the wider use of trees? (Laughter)

THE PRESIDENT: I only had one bad time about my Christmas Proclamation. I had to say, "Please don't put candles on trees -- put electric bulbs," and I hate an electrically lit tree. Every Christmas tree ought to have candles, but from the point of view of the

fire hazard, it is terrible.

Q There are too many drunks falling into them.

Q Isn't there a method of spraying them so as to retard the likelihood of spreading fire?

THE PRESIDENT: It is awfully difficult. It is not the tree itself; it is the tinsel on it.

Q Mr. President, how many acres have you in trees now?

THE PRESIDENT: At the present time I only have the original six acres and about fifteen more -- about twenty-one all told.

Q Not enough for the New Deal Santa Claus, is it?

THE PRESIDENT: Not yet. (Laughter)

Off the record, with this rotation coming along, if I am still in the White House eight years, I will be almost self-sustaining.

Q It will be good on the record.

Q Tell me to send that to Bert McCormick. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #247,
Executive Offices of the White House,
November 8, 1935, 4.18 P.M.

Q Good afternoon, Mr. President.

THE PRESIDENT: Well, you missed it. We had a grand time. Eddie (Mr. Roddan) came through all right but it was against tremendous odds.

Q (Mr. Roddan) I always do.

Q (Mr. Young) But you don't look the same though. (Laughter)

THE PRESIDENT: (addressing Russell Young) You did a good job, damned good. They got on board the train at 1.00 A.M. (As though quoting from a news story:) "The President had an opportunity to handle the political situation in his overnight ride from New York." Say, you know I sleep sometime.

Q I went to bed at 11.00. Don't all brag.

THE PRESIDENT: He is making a hero out of me -- me and Farley -- we sat up all night.

MR. DONALDSON: All in.

THE PRESIDENT: There is literally and absolutely no news at all.

Q I was given to understand that you were going to either junk or turn away our little SEQUOIA, the yacht. Is there any truth in that?

THE PRESIDENT: It is very much against my will but everybody insists I should be on a fireproof boat. Why, I don't know.

Q The SEQUOIA?

THE PRESIDENT: The SEQUOIA is built of wood so I am turning back the CUYAHOGA, which has to go along as a guard boat, to the Department of -- to the Treasury, to the Coast Guard, and I am turning back

the SEQUOIA to the Department of Commerce, from which it came, which releases two boats, and I am taking a Coast Guard patrol boat, which is big enough to carry the Secret Service men on board.

Q Have you the name of it, sir?

THE PRESIDENT: I don't know what I am going to name it.

Q The ELECTRA, I think.

THE PRESIDENT: That is right, the ELECTRA. So we have a net saving in the number of people employed and a saving of fuel because there is one boat instead of two, and also we have a so-called President's Yacht, which, in case of war, would be turned into coast defense purposes. It would not be a yacht; she would be available for duty.

Q Would she have any Press quarters in her, sir? (Laughter)

THE PRESIDENT: I will take you along for a race some day.

Q Do you care to comment on the Judge's ruling yesterday on the Stock-yards Act?

THE PRESIDENT: I have only read the headlines. I have not talked to anybody about it.

Q He called it unconstitutional in toto.

THE PRESIDENT: He called it unconstitutional in toto.

Q Anything on Canadian negotiations?

THE PRESIDENT: I talked over with the State Department this morning the progress that had been made up to date in discussing the trade agreement.

Q Have they given you a list of the commodities you might talk about?

THE PRESIDENT: Oh, we have been talking about it -- how long has it been going? -- three months.

Q It started since last January?

THE PRESIDENT: They have had all that time a list of commodities as long as your arm -- both sides.

Q Have you agreed on any exchange?

THE PRESIDENT: Still in the discussion stage.

Q Is it likely that the discussion with Mr. (Mackenzie) King may also cover the St. Lawrence Waterway Project?

THE PRESIDENT: We may mention it; I don't know yet.

Q Have you decided on who will go to London for the Naval Conference?

THE PRESIDENT: Not yet. The actual date of its opening is not yet definitely determined because the Japanese delegation can't get there on the second and I understand it will be postponed, probably only for a short time.

Q Even if it is for December fifth, those people will have to leave on November twenty-fifth.

THE PRESIDENT: That is plenty of time.

Q Can you tell us of your talk with Governor Brann?

THE PRESIDENT: We are still talking.

Q Can you tell us whether you asked him to call a special session?

THE PRESIDENT: I cannot tell you anything about it.

Q Have you any further moves on the neutrality question, particularly with regard to trade with belligerent countries?

THE PRESIDENT: I have not had a chance to talk to the State Department about it.

Q Have you had any reports on exports for the month of October to Italy, on oil or any other commodities?

THE PRESIDENT: I think the Department of Commerce and the Treasury have

those ready today. I have not seen them complete for the month of October yet.

Q Are they being put out publicly or privately?

THE PRESIDENT: I don't know; I hope so.

Q Can we induce you to speak about the increased export of oil?

THE PRESIDENT: I haven't seen that.

Q Would you make any comment on General Johnson's statement that Professor Frankfurter is the most influential person in the United States in the shaping of administrative policies?

Q (from the rear of the audience) Louder.

THE PRESIDENT: He wants to know about some kind of a statement about General Johnson.

Q What was the statement?

THE PRESIDENT: One of them.

Q What was the answer?

THE PRESIDENT: Why, you fellows gave the answer. (Laughter)

Q Do you expect to strike a bargain with Mackenzie King while he is here?

THE PRESIDENT: What?

Q Do you expect to trade?

THE PRESIDENT: I hope these negotiations will result in a trade agreement. They have been under way for some time. I hope they will be concluded soon.

Q In that connection, is there any possibility of them being extended to include some of the articles covered by the so-called Ottawa Agreements?

THE PRESIDENT: I do not know, for the reason that I do not know what articles are included in the Ottawa Agreements.

Q Some of the important ones are autos and motor machinery and some of the things we are particularly interested in.

THE PRESIDENT: Of course I should like to see the agreement as broad as it can be made. The whole purpose is to increase trade back and forth between Canada and the United States in as many articles as possible.

Q Mr. President, have the Canadian wheat reserves figured in the discussion?

THE PRESIDENT: No, not yet. They may. I don't know; they haven't come up yet.

Q Are you going down the river over the week end?

THE PRESIDENT: No, staying right here. There really isn't any news, not a blessed thing. Everything is quiet.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #248,
Executive Offices of the White House,
November 13, 1935, 10.45 A.M.

MR. DONALDSON: All in.

THE PRESIDENT: I don't think I could invent any news for you if I tried.

I don't know a thing.

Q Mr. President, can you tell us anything about the Canadian Treaty?

THE PRESIDENT: No.

Q I mean, as to when it will be released?

THE PRESIDENT: I don't know. I just signed the usual authority to have it signed but I do not know when it is to be signed.

Q Mr. President, would you care to say anything about the inauguration of the Philippine Commonwealth on Friday?

THE PRESIDENT: I am giving out a statement and a telegram, et cetera.

You are a little ahead of time. It is coming tomorrow.

Q What is that authority, for the Secretary of State to sign the treaty?

THE PRESIDENT: I do not know what the technical name of it is. It is a proclamation, to which I sign my name and they put the seal of the United States on it.

Q Is there any likelihood that the Argentine Trade Agreement will be consummated in the near future?

THE PRESIDENT: I don't know; I have not heard about it for a long time.

Q I understand plans for its consummation have about been abandoned.

I haven't seen anything about it since I came back from the cruise.

Q Can you tell us anything about the conversations with (Asst. Sec.) Roosevelt and Admiral Standley yesterday?

THE PRESIDENT: Yes, I have to develop the story. We talked about the total personnel, first of the Navy, to go into the budget and secondly of the Marine Corps. We went, with a great deal of detail, into the problems of manning the new ships to be put into commission, also of maintaining the Marine Corps up to a reasonable strength in comparison with the Navy. Nothing was decided. I won't take it up until I get to the Navy bill and the Navy budget bill won't be ready -- it will be one of the last two, Bell told me yesterday.

Q Did they indicate what our total personnel in the fleet would have to be by the end of 1937, when we have the new ships?

THE PRESIDENT: It will probably come to -- it is now I think 93,500 and the question is how close we can bring it this coming year to 100,000. That, of course, is the 100,000 maximum. If Congress is asked for and authorizes 100,000, it means an average in the service during the year of 96,500. I haven't decided whether I will ask for the whole 100,000 or not.

Q That is both Navy and Marine Corps?

THE PRESIDENT: No, just Navy.

Q Did you discuss the possibility of a new battleship?

THE PRESIDENT: For about a minute and a half. In other words, we decided not to make any final decision until a little later.

Q A hypothetical question seems to have arisen on our neutrality order and the Executive Orders following it. In the event Great Britain were to enter a war with any power, not necessarily Italy, what would that do to our trade with Britain's colonies?

THE PRESIDENT: I don't know. It is too hypothetical. I have never

thought of it. Of course the general rule -- it would be leaving out the question of Great Britain -- the general rule would be that any other nation entering the war -- I have discretionary power in that case to apply the Arms, Ammunition and Implement Section to that nation.

Q Mr. President, will the request for the new battleship rest on the outcome of the Naval Conference?

THE PRESIDENT: That is going too far ahead. I just said we are not making any decision now.

Q Have you made any decision as to whom you are going to send to the Naval Conference?

THE PRESIDENT: No, because we do not know the date of it yet.

Q Can you enlarge on the statement the other day that bank balances and deposits indicate recovery?

THE PRESIDENT: No, I don't think so. I think I could add only this to it, that of course it indicates the very essential machinery of recovery -- put it that way -- and if it were properly used, it would help recovery. On the other hand, that raises the other question that some people who think beyond the ends of their noses realize and that is that if it is not used in a reasonable way, it slows up recovery. Therefore, the converse is true.

For example, a fellow came to me the other day who had contracted to buy a farm and he was able to pay 60 per cent of the price in cash. He wanted a 40 per cent mortgage. This is not the South or the West, mind you. This is the East. He shopped around to all the banks in his county and the best rate he could get was 6 per cent. Now, there are a lot of examples of that kind. That

is slowing up things.

Q Have you any idea as to the proper rate?

THE PRESIDENT: Well, it is below 6 per cent. Let's put it that way.

Q Would you fix that for the whole country, that rate, or by regions?

THE PRESIDENT: We have been trying, of course, to get down the rates all over the country to make them as nearly uniform as possible. Of course, there are certain instances in certain parts of the country where conditions are not -- put it this way -- they are not stabilized yet as they are in the older parts of the country. One of the great things that happened in the South and West is that what we in the East would have called pirate rates, which existed up to 1933, have been very largely eliminated. For example, down in Georgia it was the hardest thing in the world to borrow money to buy a farm before 1933, and that was not just during the panic years; it goes back six, seven, eight and nine years before that, at less than 8, 9 or 10 per cent. Out West the same thing was true.

Q What was that term?

THE PRESIDENT: Pirate rates.

Why should not low-money rates extend to loans that have perfectly good, sound security on land. For instance, in England the economists and the Government and over here the Government and some economists believe that recovery can be helped by the maintenance of easy money rates, that easy money rates should apply not only to commercial paper loans but should apply also to real estate and loans on securities.

Q Mr. President, the bankers say that bank examiners will not let them

take very many of those loans.

THE PRESIDENT: What loans?

Q Real estate loans.

THE PRESIDENT: Well, put it up to the savings banks. Take that end of it. They are investing mostly in real estate loans.

Q But the bankers say that the bank examiners criticize them when they do make real estate loans.

THE PRESIDENT: Oh, yes, when they get up to too high a percentage. Of course the first question to ask them is, "What percentage of your depositors' money have you got in real estate loans?" A bank has to keep, always, a certain amount of liquid assets.

Q Do you agree that the interest rate should be based somewhat upon the degree of risk?

THE PRESIDENT: Oh, yes, certainly; the better the risk, the lower the rate.

Q Rather than regional?

THE PRESIDENT: Yes.

Q Mr. President, since you made your original allocation for Buffalo's $15,000,000. sewage plant, there has been practically no progress and 6,000 men are being denied jobs because of political bickerings back in Buffalo among civic commissions.

THE PRESIDENT: Has that allotment passed the Comptroller's Office?

Q Yes.

THE PRESIDENT: Are you sure?

Q I think so.

THE PRESIDENT: You had better check on it and see. That was included in that large batch -- I have forgotten what the total was but it

was pretty close to $200,000,000. -- that went through just before I sailed. I do not think it has gone through yet.

Q I think it was before that, though.

THE PRESIDENT: It was?

Q If it has been approved by the Comptroller, then what?

THE PRESIDENT: I don't know. You will have to find out.

Q Isn't there anything you can do?

THE PRESIDENT: I don't know a thing about it. I have not heard about it. I would hesitate to risk any guess at all.

Q Have you received from Secretary Ickes a tentative draft of an Executive Order approving the Thomas Jefferson Memorial on the Mississippi?

THE PRESIDENT: No, no tentative draft. I talked to him about it yesterday and the thing is still being studied.

Q Any decision been reached?

THE PRESIDENT: No. As to how it is going up?

Q Yes.

THE PRESIDENT: The plan is to start right away with the razing of buildings. I don't know what the total amount is.

Q But they can't do it until you approve the project?

THE PRESIDENT: It has been verbally approved for immediate work. Now, what the total amount of that is I haven't the slightest idea.

Q They have to have an Executive Order.

THE PRESIDENT: Well, they are checking up now to find out how many people they can put to work this year and what the cost will be.

Q Have they made any recommendations as to next year?

THE PRESIDENT: No.

Q Are you holding to your original plan that no commitments be made for 1937?

THE PRESIDENT: I haven't got any visions.

Q Have you discussed the St. Lawrence Waterway Treaty with Mackenzie King?

THE PRESIDENT: There isn't any news on that at all. I am looking into a thing that both the Prime Minister and I were very much interested in and that is the Niagara Falls problem, the problem of the Falls being cut back year after year, and I have asked for a report of a study that was being made jointly by, I think, the Federal Power Commission, the New York State Power Authority and the Army Engineers. I have asked for that report.

Q Any further study being made as to possible amendments to the Treaty requiring re-negotiation?

THE PRESIDENT: Not at the present time.

Q You have mentioned that you have discretionary power to apply the arms embargo to any other nation engaged in war. I wondered if that meant any other nation engaged in the Italian-Ethiopian conflict or any other war that breaks out in any way?

THE PRESIDENT: War. In other words, what I said the other day -- "War is war."

Q War is hell. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #249,
Executive Offices of the White House,
November 15, 1935, 4.00 P.M.

Q Mr. President, what about that Executive Order for the Thomas Jefferson Memorial in St. Louis?

THE PRESIDENT: It is supposed to have come up and gone to the Attorney General and come back.

Q You just forwarded it to the Attorney General?

THE PRESIDENT: Yes.

Q Any idea as to when he will send it back?

THE PRESIDENT: Probably this afternoon.

Q Will you sign it right away if it is in order?

THE PRESIDENT: Yes.

Q Have you drafted your Atlanta speech?

THE PRESIDENT: I have not thought of it. I have drafted nothing ahead.

Q Mr. President, I was wondering if you read the statement by Senator Norris that he might not run again in 1936? I was wondering, if you had, if you would care to comment?

THE PRESIDENT: I understood there was a question as to whether he had made it.

Q I read several versions of it. (Laughter)

THE PRESIDENT: I don't see why I should not say something about it. It is perfectly clear, I feel. It is the kind of thing you can say about a very few individuals in the United States and George Norris happens to be one of them. Put it this way: If I were a citizen of the State of Nebraska, regardless of what party I belong to, I would not allow George Norris to retire from the

United States Senate, whether he wanted to or not, for the very good reason that I feel that he is necessary not only to Nebraska but to the United States as long as he lives.

Q Is that for quotation?

THE PRESIDENT: Yes.

Q Direct quotation?

THE PRESIDENT: Yes. That is all right. So that is that.

Q Can we quote that too, "So that is that?"

THE PRESIDENT: No.

Q Mr. President, do you plan to go into Kentucky on your way south?

THE PRESIDENT: No. I have to go straight to Warm Springs.

Q Do you approve of the change in PWA on buying of foreign materials?

THE PRESIDENT: A change in PWA?

Q As announced yesterday?

THE PRESIDENT: What paper do you read? (Laughter)

Q He announced it himself in his letter to Mr. Green as a change in policy.

THE PRESIDENT: He said that?

Q Yes, sir; he said, "Accordingly I am changing the policy of PWA." Those are the exact words.

THE PRESIDENT: Suppose you give the whole thing. I don't remember it except as I read it in the paper. Let us get this straight. When a newspaper says to the public that any department of the Government is changing its policy in regard to the purchase of foreign materials, that is a deliberate misrepresentation. Let that stand. The reason is this: The Secretary definitely stated that the policy of the Government was not to buy foreign materials,

never was, and for that reason they had put on, in addition to the tariff, a percentage which was supposed to keep foreign materials out. As soon as it became apparent in these two cases, after many, many months that the percentage was not high enough, then we changed the percentage, but the policy remained the same.

Q Has the percentage been changed?

THE PRESIDENT: Yes, it will be changed. And with that goes, of course, the supplementary part of the statement that in the future where a foreign bid is lower, we will find out first, whether it was a subsidized bid and, secondly, whether there was collusion on the part of American bidders as occurred in one of those two cases on the face of things.

Q Are you going to investigate the alleged collusion?

THE PRESIDENT: Oh, yes.

Q The Federal Trade Commission?

THE PRESIDENT: Yes.

Q Is the Treasury Department going to investigate the possibility of dumping in this connection?

THE PRESIDENT: Yes. There are various methods by which, in some nations, they are able to assist exporters through various kinds of ways.

Q Is it a fair inference that if foreign exporters have been found to send materials here and are selling them cheaper because of government subsidies in their own countries, that purchases of those materials would not be allowed?

THE PRESIDENT: Obviously because, after all, if you once admit the subsidized goods, they could subsidize manufacturers 100 per cent and the manufacturer could sell things for one per cent of the

cost of manufacture.

Q Under the amended AAA subsidy, subsidies will be granted on our agricultural products. Would that, perhaps, constitute dumping abroad?

THE PRESIDENT: You are talking about an export debenture plan?

Q Something of that sort. It applies to the export of agricultural products.

THE PRESIDENT: It is essentially the same principle.

Q Senator Lonergan, I believe, wants you to subsidize cotton exports.

THE PRESIDENT: It is essentially the same principle. In other words, it is something contrary to the free flow of trade. It is an artificial stimulation to trade which ends in cut-throat competition.

Q Do you intend to open both the Texas and the Arkansas Centennial Expositions?

THE PRESIDENT: Yes, both on the same trip. It will save mileage.

Q How far apart are they likely to be?

THE PRESIDENT: Twenty-four hours.

Q Mr. President, will you comment on the shipbuilders' failure to bid on the new $15,000,000. United States liner?

THE PRESIDENT: I am not ready to because I do not know enough about it. I am asking the Secretary of Commerce to give us the facts.

Q A lot of the P.W.A. allotments have not passed through the Comptroller General's office yet. Have you considered postponing the deadline of the fifteenth of December for awarding the contracts?

THE PRESIDENT: I think they have passed through within the last twenty-four hours.

Q How about the highway allotments? Only a slight percentage of those have been allocated. Will the deadline be set back on those?

THE PRESIDENT: Of course the highway allotments to the states do not fall under the December fifteenth deadline anyway because it is part of the annual highway program of each state.

Q Is that true of the grade crossings?

THE PRESIDENT: I cannot tell you; I don't know. I suppose that depends on the individual case and also on the individual states.

Q Is it possible for you to make any announcement of American participation in the Naval Conference?

THE PRESIDENT: I have to have it in the next two days. We have not heard from London on the date. We telegraphed and have not had any reply yet.

Q Have you authorized a new setup for the California Central Valley Project?

THE PRESIDENT: I have not heard anything.

Q It is reported in California by Senator Johnson -- he released a letter out there saying that you had authorized it.

THE PRESIDENT: I don't know.

MR. McINTYRE: You wrote the Senator.

THE PRESIDENT: Oh, yes; I sent a letter to him.

Q We were wondering if there had been submitted to the Comptroller General a reason for the change?

THE PRESIDENT: I don't know; I have not thought of it since sending the letter.

Q Can we have a copy of the letter?

THE PRESIDENT: Yes.

Q Mr. President, is there a possibility that the German order may be stopped in case dumping is found?

THE PRESIDENT: I do not believe it can. How much was it -- $19,000. out of a $42,000,000. project?

Q Anything new on the neutrality situation?

THE PRESIDENT: No.

Q The Secretary of State reported today that the figures show some increases since those of October fifth?

THE PRESIDENT: I do not think so.

Q Would you care to say anything for quotation on the general policy of the Administration with respect to dumping foreign materials on relief or P.W.A. projects?

THE PRESIDENT: The Secretary's letter gave the full story.

Q What has Chairman Prawl of the Communications Commission been here on?

THE PRESIDENT: All kinds of things -- radio, telephone, telegraph, and every other form of communication.

Q Anything about this radio reallocation plan been taken up?

THE PRESIDENT: No.

Q How about the A.T. & T. investigation? Anybody selected for that?

THE PRESIDENT: No. I asked him how it is getting on and he said it is getting on all right.

Q Would you oppose the expansion of the Nation's shipbuilding facilities?

THE PRESIDENT: What do you mean?

Q On the basis of the experience of last year, when application was made for a loan to expand them considerably, there was a great deal of official opposition.

THE PRESIDENT: A loan for what?

Q A large yard in Pensacola, Florida.

THE PRESIDENT: (laughing) That is what we call cross examination. Now we know all about it. Bring me a sound one and I will tell you about it. That Pensacola proposition was not sound, financially, under the wildest possibilities.

Q Mr. President, speaking of neutrality, can we announce that you and Steve (Mr. Early) have referred your argument to the State Department? (Laughter)

THE PRESIDENT: Yes.

Q Thank you, Mr. President.

Q How much of the cheese (referring to a cheese presented by Wisconsin manufacturers) did you get?

THE PRESIDENT: I have not had any yet. I do not know what Mac (Mr. McIntyre) did with it.

CONFIDENTIAL
Press Conference #250
At the White House
November 17 (Sunday), 1935, 2.00 P.M.

(This Press Conference held in the State Dining Room. There were present, in addition to the Press, Secretary Hull, Secretary Wallace, Under Secretary Phillips, Assistant Secretary Sayre, and several others)

THE PRESIDENT: Good afternoon. I am glad I do not have to read your story (Laughter).

I am very glad to welcome this new class in Advanced Economics. As to some of you, I have had the privilege of having you in my course before this year, but I see however a number of freshmen. The copies of the State Department release have run out, but there will be some more in about ten minutes and I appreciate what a difficult story this is to write because it has so much in it. I will do my best, and I thought that possibly by using this copy I could go over somewhat hurriedly the paragraphs which I have marked and which I think are the more important paragraphs for you to read. Afterwards, when we get through with this, for I suppose it will take half an hour, go ahead and ask questions. I have asked the good people who are experts in this matter to come here and they will be able to answer, I think, any questions you may ask.

The salient thing, when you come down to it, is the very interesting fact that a territory that adjoins us, which has in relation to us a very small population -- what is the population? -- 10 or 11, about 10½ million people or in other words a couple of million people fewer than there are in the State of New York -- that that country, small in population, prior to 1929 bought from the United States more

goods of all kinds than all of Latin America put together. Or, for that matter, all of Asia put together. They were buying nearly a billion dollars worth of our products -- about 900 million -- and since that time our trade with Canada has dropped about 66 per cent, all in the last five or six years.

Now, that being so, because they are a nation adjoining us -- same general stock -- same general conditions of life -- we see no reason why we should not try to build our trade back, and we hope as a result of this step which has been taken that we will build our trade with Canada back to what it was before. It means putting a very, very large number of people to work. It seems perfectly obvious that we should think in terms of trading, not on the bi-lateral angle, but on the triangular methods -- the more trade you have between countries, the more people are at work in both countries, the less unemployment there is in both countries. That is a perfectly obvious thing, therefore we are trying to visualize this as the sole purpose and we expect that, as a result of this trade agreement, our trade with Canada is going to double in the course of the next year or two years. I hope and I really believe that it will.

Now, let us get down to this written story that some or most of you have.

The trade negotiations were initiated in 1934 and have culminated on Friday in the signing, but the actual agreement was made a week ago Friday.

(The President read from the Department of State Press Release of November 17, 1935, interpolating for explanatory purposes and ommitting unimportant paragraphs. What follows, therefore, is a verbatim report

of what the President said; the interpolations, being brought out to margin.)

"The trade negotiations between the American and Canadian Governments, which were initiated in the latter part of 1934, culminated Friday in the signature of a trade agreement of wide-reaching scope which is of major importance to the producers and the consumers of both countries, and the stimulating effect of which on industry and commerce as a whole will be a material factor in general economic recovery on both sides of the border. The agreement should assure a marked increase in the exports of each country to the other; and that means a marked increase in their total export trade, since Canada is the second largest customer for our exports and since the United States is the second largest consumer of Canada's exports.

"The concessions made by Canada to the United States will affect beneficially much the larger part of our total export trade with her. While our agriculture and industry will benefit largely from the expansion of their Canadian sales, the agreement leaves for both agriculture and industry adequate protection in the domestic market, even though it opens to Canadian producers a larger share in that market. To consumers, moreover, the reductions in our duties will be of much benefit, by checking unreasonable increases in prices of the consumers' commodities concerned.

"Most of the crude and simply-manufactured products which we buy from Canada have been free of American duty in the past, and by the trade agreement nearly all of the important free items are 'bound' against the imposition of any duty or import tax."

This theory, as you know, of binding something on the free list is to make it possible for business men and producers of all kinds of goods to plan ahead so that they will know that something on the free list will be on the free list when they go to make sales from the factories they are about to build or the crops they are about to raise. In other words, it is a very definite step towards permanence of trade.

"As a compensation for our action with respect to free commodities, which is of great benefit to Canada, she has made reductions in duties on American commodities which represent a substantially larger value of trade than is represented by the Canadian commodities on which we have reduced duties under the agreement, although the reductions made by the United States cover a large portion of the dutiable imports from Canada.

"The magnitude of the benefit which will accrue to American agriculture and industry from this agreement may be judged by the fact that duties and other charges will be lowered on products of which we shipped to Canada, in the Canadian fiscal year ending March 1930, --"

we take all through this in most cases, the years 1929-1930 as the base period -- something to shoot for and something we expect to get back to rather than the infinitely lower period of 1934. We shipped during that year of 1930 about $415,000,000.

"That was the last year before the marked increases in Canadian duties and other levies on American goods. The commodities affected by these new Canadian concessions to us comprised in that year over three-quarters of the total dutiable exports to Canada from the United States.

"On the other hand, the concessions made to Canada by the United States are of wide-reaching character. They affect commodities which accounted for about two-thirds of our total imports from Canada in 1929. Much of the larger part of the trade in those free commodities of which Canada is the principal supplier of our imports will now be bound against the imposition of duties or import taxes, and reductions in duty have been made with respect to commodities representing about three-fifths of the 1929 figures of the total value of the articles, of which Canada is the principal source, which are dutiable under present laws."

The next two paragraphs are important:

"It will be remembered that since 1929 the United States has greatly increased its duties against Canadian goods by a new tariff law and Canada has increased her tariffs against us by special legislation and various special orders in council.

"Imports from Canada into the United States dropped from $503,000,000. in 1929 to $232,000,000. in 1934, or 54 per cent. Exports from the United States to Canada dropped from $899,000,000. in 1929 to $302,000,000. in 1934, a decrease of 66 per cent."

That was the percentage I referred to in the beginning.

"Countries other than Canada will obtain relatively little benefit from the reductions in duty made by the United States in this agreement. Imports from Canada of the articles on which duties have been reduced were, in 1929, 94 per cent of the total imports of these commodities from all countries combined. Canada is overwhelmingly the principal supplier of most of these articles. The proportion supplied by Canada of the articles bound on the free list by the Canadian agreement is also very high."

In other words, translating that -- and somebody asked me the question in Press Conference the other day -- the most-favored-nation clause of course which we have in treaties with other nations will be affected by this agreement, but probably the value of goods imported into this country from other nations will be very small because they are so far away that the shipping rates preclude any very large increase in their sales to us.

> "Every section of the United States and most branches of industry and agriculture will benefit from the reductions in the Canadian import duties embodied in the trade agreement and from its other provisions.
>
> "The Canadian concessions to the United States fall into four general groups:
>
> "(1) Direct duty reductions on items named, commodity by commodity, in what is known as Schedule I."

Of course the average layman does not have the vaguest conception of what a tariff is, that is why it is awfully hard to explain. They think of a tariff in terms of this item (1) which I have just read, but there are a lot of other things they do not think of at all.

> "(2) The grant to the United States on all other commodities of the lowest rates now or hereafter paid by any non-British country (these are commonly referred to as 'most-favored-foreign-nation' rates) in place of the higher 'general' rates."

Well, let us give you a specific example. Suppose Canada has a special trade treaty with France. Up to this time we have not been able to benefit by that special trade treaty with France. This treaty gives us the same rates into Canada as the French exporter has into Canada. In other words, it is the most-favored-nation clause operating to our advantage.

> "(3) A large and satisfactory measure of relief with respect to the Canadian system of arbitrary valuations here-

tofore applied on many commodities."

Through these orders and counsel and various other types of special legislation, Canada, during the last five or six years built up a new system of tariff rates, not confining it to ad valorem but adding to the ad valorem a system of valuations which they arbitrarily put on to the product regardless of what the valuation given in the bill of lading was. Am I right on that?

SECRETARY HULL: Yes.

THE PRESIDENT:

> "(4) Benefits to commercial travelers and to transit trade passing through the United States resulting from general provisions of the agreement, together with promised legislation regarding exemption of tourist purchases from duty."

First the direct concessions:

"Those duty reductions on the part of Canada which are specified by name in Schedule I, together with a few items on which the existing rates are bound against increase, number about 180. The commodities covered accounted for $175,000,000. out of the total of $523,000,000. of dutiable imports into Canada from the United States in 1929-30. In the case of many commodities specified in Schedule I the rates named are the 'intermediate' or 'treaty' rates heretofore paid by the most favored non-British country, which are in most cases materially lower than the general rates which we have hitherto paid.

"In the case of 80 or more duty reductions specified in Schedule I, however, representing a value of trade in the base year 1929-30 of over $115,000,000. the rates named are lower than those heretofore paid by any non-British country.

"The extension to the United States of 'most-favored-foreign-nation' treatment, including both the items named in Schedule I of the agreement and items not there named, means lower charges on our products comprised in no less than 767 items and sub-items of the Canadian tariff. This number includes most of the agricultural and industrial products of the United States for which there is any market in Canada. Among them are 114 products, or groups of products, of each of which the United States furnished to Canada during the fiscal year 1929-30 imports to the value of more than $500,000.

"All the export products of the United States affected by

these Canadian concessions are listed in a separate table, which shows for each the old and the new rates, the percentage of duty reduction, and the value of Canadian imports from the United States during those two years. The following summary --"

I think this summary is probably worth putting in because it shows what can be accomplished --

"shows, by commodity groups, the wide distribution of the trade benefitting from reductions in Canadian duties. It includes all items where the reductions are the result of Schedule I or of the extension to us of most-favored-foreign-nation rates.

Value of imports from the United States, fiscal years ended March 31, of articles benefiting by duty reductions
(Thousands of dollars)

	1930	1935
Agricultural products were	$49,778	and dropped to $15,195
Fishery products	1,164	400
Stone, glass and non-ferrous metals	24,634	8,431
Iron and steel and products	8,993	4,216
Hardware	3,057	1,416
Other manufactures of iron and steel	65,473	15,650
Machinery and engines	84,107	22,309
Motor vehicles -- now that is an important item	40,461	3,128
Railroad equipment	3,077	312
Wood and wood products -- this is wood and wood products going into Canada	21,620	4,257
Paper and paper products	19,745	6,421
Hides and leather	6,063	1,382
Textiles -- that is an important item	40,546	6,419
Rubber products	2,547	1,112
Petroleum products	19,982	4,154
Chemicals	7,697	4,505
Musical instruments	2,611	268
Miscellaneous products	17,548	6,619
	419,103	106,194

"The importance of Canada's grant to us of the most favorable tariff treatment which she accords to any non-British country cannot be measured by mere statistics of the volume of trade affected or the extent of the resulting duty reductions. It

means a revolution in the trade relations between the two countries. It means that Canada has adopted with respect to the United States the non-discriminatory policy which the United States has long maintained toward all countries. As a consequence our export trade to Canada, save to the extent that it is still somewhat affected by the system of British Empire preference, will enjoy the advantage which naturally goes with our proximity to Canadian markets and the similarity of Canada's consumption of goods, and of her economic life generally, to that of the United States."

Changes in duty valuation system, which has always been a great difficulty we have had:

"A broad advantage to many lines of American exports will result from changes in Canada's system of valuing commodities for duties. These changes are assured either by the trade agreement itself, or by a note of the Canadian Government accompanying it. There has been gradually growing in Canada a system, taking several distinct forms, of applying arbitrary assessments exceeding the invoice values on imported goods."

The Secretary (Hull) says that method is two or three times more destructive than the actual listed tariff schedules themselves.

"The resulting charges were materially higher, in some instances several times higher, than the nominal duty rates. On some commodities the practice meant not merely that the ad valorem rates were applied on a higher sum, but that the difference between the arbitrary value and the invoice value had to be paid as a so-called dumping duty.

"These methods of valuing commodities have caused much complaint on the part of American producers and exporters, by reason both of the height of the resulting charges and of their uncertainty.

"Moreover, the Canadian Government has given assurance in a note that it will sponsor legislation in Parliament to permit residents of Canada visiting the United States to bring back with them free of duty articles for their personal use up to a value of $100, a privilege similar to that now enjoyed by Americans returning from visits to Canada or other countries."

MAJOR CONCESSIONS MADE BY THE UNITED STATES TO CANADA

"The concessions granted by the United States in exchange for the advantages thus secured from Canada for our agriculture and industry may be briefly summarized as follows:

"1. The binding of the existing free entry into this

country of pulp-wood, wood pulp, and newsprint paper;"

Publishers please note -- especially those who run campaigns "Buy American". (Laughter)

Q Is that off the record, Mr. President?

THE PRESIDENT: That is off the record. And, also off the record, and own ships that bring it in flying the British flag.

Q Who is that? (Laughter)

THE PRESIDENT: (Continuing)

"unmanufactured wood generally; certain kinds of simply-manufactured wood such as shingles and lath; certain fishery products including lobsters; certain kinds of furs; crude asbestos, crude artificial abrasives, certain fertilizers, and a number of less important commodities. All of this means no change in the existing free list. It does not change the rate at all but binds it.

"2. Reductions in duty, but for specified quantities, on cattle, calves, dairy cows, cream, certified seed potatoes, and lumber and timber of Douglas fir or Western hemlock; any imports in excess of the specified quantities will pay the old rates.

"3. Reductions in duty on lumber and timber of other species; on Cheddar cheese, turnips, apples, hay, maple sugar, live poultry, and horses; on halibut and certain minor kinds of fish; and on patent leather, harness leather, ferromanganese, ferrosilicon, acetic acid, and several other minor items.

"4. The binding against increase of the existing 10 per cent duty on certain feed-stuffs for animals. Here again no change in our present tariff is made.

"The aggregate value of our imports from Canada in 1929 of all articles which are affected directly by the trade agreement was thus about $308,000,000., or almost exactly three-fifths of the total value of our imports from Canada in that year."

As I remember it going the other way, it was three-quarters. American goods going into Canada benefited three-quarters and Canadian goods coming here are benefited three-fifths.

"In the negotiation of this agreement our Government has recognized that a substantial balance should be maintained

between the concessions granted by this country on agricultural products and those obtained from Canada on agricultural products. Even if the United States had obtained from Canada little in the way of duty reductions on farm products, our farmers would have gained much from the numerous and important concessions obtained for American manufactured goods. The increase in the exports of our factories, which seems bound to result, will so add to the purchasing power of the wage earners in this country that they can buy more of the products of American farms. Moreover, our farmers, as large consumers of Canadian products on which our own duties have been reduced, will be protected against unduly high prices for those commodities.

"As a matter of fact, however, the agreement does much more than this for our agriculture. It will assure large increases in exports of American farm products to Canada."

That is something that I hope will be duly noted by certain people here. To repeat, it will assure large increases in exports of American farm products to Canada.

"There is good reason to anticipate that these increases will at least equal the increases in imports of agricultural commodities from Canada resulting from the concessions which we have made to her. Moreover, in making duty reductions the Government has taken the greatest care to prevent injury to any group of American farmers.

"Both the United States and Canada export large quantities of grain to Europe,"

-- that is the wheat question --

"and no duty reductions have been made on Canadian grain and grain products imported into this country, although Canada has been assured that the present duty on certain animal feedstuffs will not be increased -- it will be kept where it is. On the other hand, the United States with its larger area of Agricultural land and its more varied climate, produces far more of most kinds of animal products, vegetables, and fruits than does Canada. Our consumption of these products is huge as compared with the Canadian exportable surplus. For that reason it has been possible to make duty reductions which assure to Canadian farmers such an increase of exports to this country as will add materially to the total demand for their output, while scarcely affecting the demand for and especially the prices of the products of our own farms.

"Canada's concessions to us on farm products cover a wide field. In some cases we secure lower duties merely as the result of the general provision by which hereafter American goods,

instead of paying the 'general' Canadian duties, will pay the lower 'intermediate' or still lower 'treaty' rates. On a number of important farm products, however, Canada has given us rates well below intermediate or treaty rates. Moreover, the adjustments which Canada has agreed to make in her methods of valuing import commodities are of particular advantage for our products.

"The most important one concession made by Canada in the field of agriculture is that relating to the Canadian tariff paragraph which covers fresh vegetables. Canada has long distinguished between the season when her farmers are marketing their output of such vegetables and the 'off season'. There has been a basic ad valorem rate, 30 per cent since 1930, applied throughout the year, but during the competitive season this has been supplemented, as regards most kinds of vegetables, both by minimum specific rates in cents per pound and by so-called valuation advances. Under this valuation method not only did the ad valorem rate apply to a value higher than the invoice value, but the difference between the two values was also charged as a 'dumping' duty.

"The agreement makes great changes in the charges payable on this important group of fresh vegetables. A few vegetables of relatively minor importance have been transferred to the free list. On the remainder, the basic ad valorem rate has been reduced from 30 to 15 per cent. Our farmers, especially in the Pacific and southern States, will get great advantage from this 50 per cent reduction in Canada's duty on vegetables which are off-season in Canada. The minimum specific duties hitherto applied during the season when our vegetables compete with the Canadian will be entirely canceled, except on tomatoes. More important still is the adjustment made with respect to valuation advances during that season. On a number of vegetables, including tomatoes, the system of advances will be canceled entirely. On about a score of vegetables Canada reserves the right to apply these valuations, but the agreement assures our exporters that the additions to the invoice values will be at least one-fifth lower than heretofore."

The Secretary of State, the Secretary of Agriculture, the Under Secretary of State and I all read the next paragraph. This has nothing to do with what you are going to write, but none of us understood it.

If you want an exercise in mental gymnastics, read it.

(The President did not read the paragraph referred to)

"This concession which Canada has made with respect to vegetables imported during the Canadian marketing season will be of wide-reading advantage to producers of such vegetables in our northern States, such as New England, New York, New Jersey,

Pennsylvania, Ohio, and Michigan.

"A similar adjustment respecting ad valorem duties, specific minimum rates, and valuation advances has been made in those Canadian tariff paragraphs which cover all except citrus fruits. Here the basic ad valorem rate has been reduced from 20 to 15 per cent, the valuation advances have been canceled on several classes, and such advances as may hereafter be applied on other kinds of fruit will be at least one-fifth lower than heretofore.

"In addition to these reductions in the charges on vegetables and fruits subject to general paragraphs of the Canadian tariff, our oranges, dutiable in recent years, are to be free during the months when we normally ship the most, the rate on grapefruit is cut from 1 cent to ½ cent per pound throughout the year, and lemons are bound on the Canadian free list. Large quantities of these citrus fruits are consumed in Canada, and our Florida and California growers will benefit greatly by these concessions. Duty reductions are also made by Canada on sweet potatoes which are made free, fresh and cured meats, poultry, canned fruits and vegetables, ripe olives, and several other agricultural products of importance in our trade with Canada. Raw cotton, which Canada imported from the United States to a value of $27,104,000. in 1929-30 and of $18,095,000. in 1934-35, is bound by the agreement against the imposition of any duty.

"Reductions in duty in one form or another have been secured on articles accounting for about $53,000,000. of this total. The charges on most of these commodities which we ship to Canada will be at least one-third lower than heretofore, and in some cases the reduction will range from 50 to 100 per cent.

"In return for the benefits thus secured for our farmers, the United States has made concessions of importance to Canada's agricultural community.

"Reductions in our duties made by the agreement cover live poultry, dressed chickens, horses, cheddar cheese, hay, apples, fresh cherries, strawberries, and green peas, the last-named concession applying only during the summer and does not affect winter peas imported from southern countries. The imports of this group of commodities, in recent years, have been small in comparison with the domestic production. Although no doubt the imports of them may increase materially and may become a substantial fraction of Canada's output of these products, they cannot become a sufficient part of our consumption to affect materially the prices of the far larger output of our own farmers.

"American duties have also been reduced on maple sugar, turnips, and frozen blueberries. Imports of these commodities supplement our inadequate domestic production.

"A concession is made by the United States on cattle,

> Calves, and dairy cows. But the duty reduction on cattle relates only to those weighing 700 pounds or more, the imports of which come almost entirely from Canada. The rate is reduced from 3 to 2 cents per pound, but--"

and this is in the same sentence --

> "it is at the same time specifically provided that entries (from all countries and not merely from Canada alone) at this lower rate may not exceed in any year three-fourths of one per cent of our average annual total domestic slaughter of cattle and calves from 1928 to 1932. The lowered duty on calves (1½ cents against the former 2½ cents per pound) is similarly specifically limited to a small percentage of domestic production, and that on dairy cows (also 1½ cents) is specifically limited to 20,000 head of dairy cows, which is a small fraction of one per cent"--

this is also in the same sentence --

> "of the number of cows annually reaching the milk-producing age in the United States. It is self-evident that the imports of cattle, calves and dairy cows at the reduced rate, within the limits thus specified, cannot appreciably affect the prices received by our American farmers. It may be noted, in this connection, that the reduced duty on cattle will benefit many American farmers who fatten purchased feeders for sale, since a large proportion of the small imports from Canada will be feeder cattle.
>
> "The limits set for the quantities of cream and certified seed potatoes which may enter at reduced duties are also such as to safeguard American producers of these commodities against injury from increase in imports. The reduction on certified seed potatoes is exclusively for the benefit of American farmers who grow potatoes, that is to say, the commercial potato farmers. No reduction on potatoes for consumption has been made in the agreement.

Now we come to the industrial and non-agricultural. You haven't got this (indicating paper in front of him) -- it is a comparison slip -- showing the 1922 tariff rates, the 1930 tariff rates and the new trade agreement rates. In other words, if it interests you to go back, the previous 1922 tariff on five or six items as, for example, cattle weighing less than 175 pounds each -- in other words calves -- was 1½ cents a pound in 1922; it jumped to 2½ cents in 1930 and we put it back to 1922. Cattle weighing700 pounds or more used to be

2 cents a pound in 1922 -- it was the Harding tariff -- and it was jumped to 3 cents a pound and we put it back to 2. And on those cows, the quota allowed will not exceed the number coming in at the present time -- not more than 15,000 head -- which is about one-tenth of one per cent.

Q Is that the total cattle importation which will not exceed their quota or just the cows?

THE PRESIDENT: No, those are the slaughter cattle and cows -- 20,000. That is about one-tenth of one per cent. Cows weighing 700 pounds or more at 2 cents per pound, jumped to 3 cents per pound and now is put back to 1½ cents per pound.

Cream, fresh or sour, was in the 1922 tariff, 20 cents a gallon. That was jumped to 56 cents a gallon and is reduced to 35 cents a gallon, so that it is still materially higher than it was in 1922. Maple sugar was 4 cents a pound in 1922; was jumped to 8 cents a pound and reduced to 4 cents. Cheddar cheese was 5 cents a pound; it was jumped to 7 cents a pound and is restored to 5 cents a pound. Lumber was on the free list. It was made $4 through a tariff of $1 and internal revenue of $3 and we have made it $2. That also is subject to a quota. That is, Douglas fir and Western hemlock.

"The advantages obtained for our factory and other non-agricultural industries through the trade agreement with Canada are of great magnitude. They should mean fuller and more profitable employment for many industrial plants and for many tens of thousands of American wage earners.

"Reductions in Canadian import duties, in some form or degree, are provided by the agreement on American industrial products which were shipped into Canada during the fiscal year 1929-30 to an aggregate value of $365,000,000.

Duty reductions into Canada on products included in Schedule I:

"Machinery represents the largest group of non-agricultural

products benefiting from the reductions in duty specifically assured to the United States by this agreement. In the case of agricultural machinery and implements, the concessions accorded involved a trade which, in the fiscal year 1929-30, amounted to a total of over $14,000,000. On most classes of such farm equipment, the Canadian duty has been reduced by half, or from 25 per cent to 12½ per cent ad valorem. All tractors, for whatever purpose, will now enter free; some types have hitherto paid a duty of 25 per cent.

"In the industrial machinery group, the Canadian tariff paragraph 427, which covers machinery of iron and steel not specially provided for the imports of which from the United States amount to $35,800,000. in 1929-30, will be subject to varying reductions in duty. The duty in all cases was previously 35 per cent ad valorem. Hereafter, the rate on none of this machinery will exceed 25 per cent; a large portion will be dutiable at 20 per cent; on some types of special purpose machinery, the rates are further reduced to 15, 10 or 5 per cent; and in certain cases the duty is removed entirely.

"Certain mining machinery which we sold to Canada gets a reduction from 25 to 20 per cent ad valorem. The rate on logging machinery of the type which formerly paid 20 per cent is cut to 15 per cent. Special textile machinery was formerly at 10 per cent; now 5 per cent.

"Electric dynamos, generators, motors, also enjoy substantial reduction. Radios and parts -- $10,400,000. worth -- are to have the duty reduced from 30 to 25 per cent ad valorem. A similar reduction is made on telephone and telegraph apparatus. Electric refrigerators which have hitherto paid 40 per cent, now pay 30 per cent. Washing machines, representing a trade of $1,600,000., are reduced from 35 to 25 per cent ad valorem. On the extremely diversified Canadian tariff item of miscellaneous manufactures of iron and steel the duty has been reduced from 35 to 25 per cent. Electro-plated ware 45 per cent duty to 30 per cent. Other reductions on metal products affect pipe fittings, enameled hollow-ware, manufactures of tin plate, cooking and heating apparatus, wire fencing and netting, various types of wire, and certain zinc products.

"Dressed lumber, including flooring --"

that is, from this country into Canada --

"will enjoy a reduction from 25 to 20 per cent in the rate of duty, and continued free entry of rough lumber and lumber dressed on one side is bound during the life of the agreement. The imports of rough and dressed lumber from the United States during 1929-30 were valued at $11,000,000. The Canadian tariff items covering American manufactures of wood not elsewhere provided for, with trade value of $3,600,000., hitherto 25 per cent duty will

now pay 20 per cent.

"Miscellaneous manufactures of paper, imports of which from the United States during 1929 amounted to $3,000,000., secure a reduction in duty from 35 to 30 per cent. The tariff item covering types of paper not elsewhere provided for will pay 30 instead of 35 per cent.

"Under the terms of the agreement American magazines, which have hitherto been subject to various rates of duty ranging up to 15 cents a copy, will now enter Canada free of duty. The importance to us of this concession, which will be welcomed by many Canadians, cannot be over-estimated."

No applause on that? Surely some of you are story writers. (Laughter)

"Duty reductions on non-agricultural products under general provisions:"

Space does not permit even the mention of all of them.

"Motor vehicles (1/6 off); railway cars and parts (1/12).

"Cotton fabrics (1/7 to 1/6 off); rayon fabrics and other products (1/7 to 1/5); hosiery and knit goods of various kinds (about 1/8).

"Dressed furs (1/10 off).

"Various chemical and medicinal preparations (1/10 to 1/5 off); gasoline and lubricating oils and greases (1/10 to 1/8).

"Glass tableware and manufactures of glass (1/12 to 1/5 off); electrical apparatus (1/6 off); manufactures of copper and brass (1/6); engines and boilers (1/6); iron and steel rolling mill products (1/12 to 1/5).

Concessions made by the United States on Non-agricultural commodities:

"Apart from those classes of wood pulp which were already bound on the free list by the trade agreement with Sweden (value $16,485,000. in 1929) the agreement with Canada binds the continued free entry of goods making up about $221,000,000. -- these are goods now free. The biggest items bound on the free list are newsprint paper, wood pulp (mechanical, soda and bleached sulphite) and pulpwoods. Including wood pulp of authorized kinds already bound on the free list by the Swedish agreement, our imports of these three articles from Canada in 1929 were valued at no less than $184,000,000. The justification for assuring to Canada that these three commodities will continue to enter without duty during the life of the present agreement lies chiefly in the fact that this country is at present unable

to supply anything like its total requirements of paper and paper-making materials, and the fact that in normal times the cut of wood from our forests, for paper, lumber, and all other purposes combined, greatly exceeds the annual growth, with resultant steady depletion of our timber stands. For more than ten years past the imports of paper materials and paper have been more than half of the total paper consumption in the United States. Any sudden and marked reduction in imports of these commodities would greatly derange the paper-manufacturing and paper-using industries of the country. Adequate advance notice of any intention to change our long-standing policy regarding imports of these products should be given in the interests of American business. Moreover, any change in policy would scarcely be justified without assurance of a closer future balance between wood-consumption and annual forest growth, involving a far-reaching program of reforestation and forest management."

Of course we have only just scratched the surface in regard to that in the past two or three years and it will take us at least another ten years of intense effort before we bring American tree growth up to anywhere near the present consumption, let alone any increased consumption.

"It may be noted further that to levy a duty on one of these three major commodities, without also placing duties on the other two, would be unreasonable and unfair.

"The most important non-agricultural commodity on which the duty has been lowered is lumber. The imports of lumber from Canada in 1929 were more than $37,000,000. in value. Lumber entered free prior to 1930. In that year a duty of $1 per thousand was imposed on lumber of the major softwood species, and by the Revenue Act of 1932 a $3 tax was imposed on all umber, additional to the duty. As a result of this action, and of the reduced demand for lumber during the depression, imports of Douglas fir nearly ceased, though considerable quantities of other softwood lumber continued to enter. The agreement reduced the combined duty and tax by 50 per cent. In the case of Douglas fir and Western hemlock the domestic industry is safeguarded by limiting the quantity, which may enter at the reduced rate, to 250,000,000 board feet. This quantity, it should be well noted, is equal to about 5 per cent of our consumption of those species during the last few years, and of course an even smaller percentage of the combined domestic consumption of Douglas fir, western hemlock and yellow pine, the three species most affected by the competition of the Canadian

Douglas fir. The imports of spruce and white pine from Canada supplement inadequate domestic supplies of these species.

"Concessions have been made to Canada with respect to certain dutiable fish items. Because of the already severe competition of imports of cod, haddock and related species with the catch of our New England fisheries, no duty reductions have been made on these fish. In the case of most species on which the rates have been lowered the imports either are small in comparison with domestic production or are supplementary to the domestic catch. The duty reductions apply to fresh or frozen halibut, salmon, eels, eight species of fresh water fish; fresh but not frozen swordfish; pickled or salted salmon and alewives; certain kinds of smoked herring; and, most important of all, canned razor clams." (Laughter)

The State Department does not agree with me. They say the most important single item is fresh halibut, but canned razor clams have them beat a mile. (Laughter)

"The most important single item is perhaps halibut. The imports of fresh halibut in recent years have averaged only about 10 per cent of the domestic consumption. There is some exportation of American-caught halibut to Canada and she has by the agreement reduced her duty. Both the American and the Canadian catch is almost wholly on the Pacific coast.

"Reductions in duty have been made with respect to about 15 manufactured products. The most important of these are patent leather, harness leather, acetic acid, and whiskey."

(cheers from the crowd) (Laughter).

"During the period of prohibition in the United States large quantities of whiskey of American type (rye and bourbon) were manufactured in Canada. With the end of the prohibition period Canadian distillers were left with great stocks of American type whiskey for which Canada itself afforded only a small market." (Laughter)

I think that is one of the most amusing paragraphs I have ever read, if you think of the implications of it. The State Department would not allow me to say anything about the implications but you people can. (Laughter)

"The shortage of properly aged whiskey in the United States since the repeal of the prohibition amendment has created a demand for

this Canadian supply. The 50 per cent reduction in the heretofore high duty of $5 per gallon applies also to Scotch, Irish, and all other whiskey aged four years or more in wood."

And just between ourselves and off the record, I asked the State Department if I couldn't say anything about the advantages of four years in the wood. They said, "No", that it possibly might offend some of our American, what we call synthetic, manufacturers.

(Laughter)

I think that is all.

Q Is this a statement by you or by the State Department?

THE PRESIDENT: Oh, no. By right, I am not in this picture any more than I am on the third day of January, when we have a family gathering and try to explain the mysteries of the Budget. I am only doing this to be helpful and if anybody wants to ask any questions, if I can answer them I will, or else I will get somebody else to answer them.

Q On page 9, that item with regard to Canada, will they give an assurance that they will permit Canadians to carry back into Canada $100 in American goods? Is there any limitation?

THE PRESIDENT: I think the American rule is once a month.

MR. SAYRE: There will be limitations on it.

Q What is the present American rule?

THE PRESIDENT: $100 once a month. You cannot do it every day.

Q Mr. President, this whiskey concession is given only as to whiskey and not all distilled spirits?

THE PRESIDENT: Only whiskey; that is right.

Q Can it be applied to Canuck Brandy?

THE PRESIDENT: Only whiskey.

Q On that whiskey matter, does that apply to re -- exports?

THE PRESIDENT: Or whiskey over four years old from any country, provided the other country has a most-favored-nation clause.

Q Does that, in effect, write a new product into the Tariff Act?

THE PRESIDENT: It is a new classification or subclassification.

Q In several places you have mentioned "during the life of the agreement". This has no specific limit.

THE PRESIDENT: No, but it can be revised every three years.

Q What is the total amount of cattle of all kinds permitted to come into the country under the agreement.

THE PRESIDENT: Beef type cattle -- 155,000 head, which is about one per cent of the total slaughtered in this country -- no, three-quarters of one per cent of the total slaughter of these cattle in this country in a year.

Q That is beef cattle?

THE PRESIDENT: That is all cattle slaughtered.

Q 155,000 head?

THE PRESIDENT: 155,000 head which is three-quarters of one per cent of all cattle slaughtered in this country. They have to weigh over 700 pounds apiece.

Q Is that to keep out the Mexican cattle? -- the 700-pound provision?

THE PRESIDENT: Yes.

Q You refer to these as "slaughter cattle". Is there any distinction for feeder and stockyard cattle or are they included in these 155,000?

THE PRESIDENT: They are included -- all lumped together.

Q What is the provision for cows?

THE PRESIDENT: On dairy cows, this lets 20,000 head come in, which is again a fraction of one per cent of the total number of cows that freshen in this country every year. That may be compared, incidentally, with

800,000 dairy cattle that we slaughtered -- the States and the Federal Government slaughtered last year because of T.B. or other disease.

Q Is there any possibility for the raising of those quotas?

THE PRESIDENT: No.

Q Is it correct to say that that limitation takes the particular item out of the operation of the most-favored-nation clause?

THE PRESIDENT: No, but we do not bring in any from other places. These quotas cover imports from all countries.

Q How much cream is included in this?

THE PRESIDENT: 150,000 gallons, which sounded to me like an awful lot of cream, but it is less than one per cent of the cream consumed in this country.

SECRETARY WALLACE: It is 8/10ths of 1 per cent of the production in the Atlantic States.

THE PRESIDENT: It represents one pint a year for every fifteen people in our population.

Q Mr. President, under the most-favored-nation clause, could another million and a half gallons of cream come in from New Zealand?

THE PRESIDENT: No, the million and a half includes all countries.

Q But, under the practical operation, it would be Canada?

THE PRESIDENT: Yes; it is the only country that ever sent fresh cream to us.

Q When does this become effective?

THE PRESIDENT: January first next.

Q How many beef cattle have been imported so far this year from Canada?

THE PRESIDENT: At the rate of 140,000 a year.

Q Mr. President, what is the anticipated effect of the agreement on

American branch plants in Canada, if any?

THE PRESIDENT: I don't think we know yet. I think every industry will have to study how it is going to affect them. Of course, they do not know yet because they have not seen this. I will give you something but you cannot use it. I was talking to Myron Taylor, head of U.S. Steel Corporation. He said that they were very much interested in this, because they have a branch steel plant in Canada and also, of course, since the Ottawa Agreement, the American plants in Canada have been using mostly British steel. He is very much interested and all their people are to see whether this means that American semi-manufactured steel can go over into those plants in Canada that are owned by American capital. They do not know yet because they have not seen the agreement. Of course, on the general theory of increased business in both countries, it will start up a good many plants here and on the other side.

Q Does it affect any of the requirements with respect to medicines and pharmaceuticals?

THE PRESIDENT: They have sent us a note that in this coming session of Parliament they are going to define those more clearly than now.

Q Is Canadian legislation needed to effect the general reduction?

THE PRESIDENT: No. I think most of the cases will not require legislation, except for special things. For example, I think they will have to have legislation on the $100 a month that individuals can take in.

Q Does this require ratification by Parliament?

THE PRESIDENT: All the rate reductions can be done by orders immediately -- the first of January -- and they go into effect by the first of January, but eventually it will have to have general ratification.

Q There is an item here "motor vehicles", does that include automobiles?

THE PRESIDENT: They get a reduction of one-sixth. There is a table you will all get that goes with this to cover each specific item.

Q That is one-sixth -- a reduction from 30 to 25?

THE PRESIDENT: That is right.

Q Have the experts feared what effect on American butter markets this exportation of cream will have?

THE PRESIDENT: I don't think it can be measured. Probably no effect at all.

Q Mr. President, several times you have mentioned transferring articles to the free list. I thought that the present Trade Agreements Bill did not give you that power?

THE PRESIDENT: I never mentioned transferring articles to the free list. Canada does that, we do not. I cannot put an article on the free list. I can cut the duty in half but we put no articles on the free list.

Q How do these tariff rates compare with the British preferential rates?

THE PRESIDENT: It varies so greatly that you have to take it up by specific items.

Q How much does this cost in tariff duties a year?

THE PRESIDENT: It will probably increase our tariff receipts and Canada's as well.

Q Increase the receipts because of more imports?

THE PRESIDENT: Yes.

Q About what would the limitation be on calves?

THE PRESIDENT: One-fourth of one per cent.

Q Has that been figured?

THE PRESIDENT: Roughly, 50,000 head.

Q As to most of the dutiable articles from Canada, would you say that this

is merely taking off the duties imposed by the Smoot-Hawley Bill and putting them back to the rates previously existing?

THE PRESIDENT: In a great many cases, yes, but you cannot say, strictly speaking, that it is doing that because there are a great many variations.

Q You mentioned that our exports to Canada have dropped by 66 per cent. What is the general decline of Canadian exports or imports from all countries?

THE PRESIDENT: It is less than that 66 per cent decline. We have suffered more than all the rest of the trade has suffered.

Q Mr. President, can you explain to us more clearly the matter of putting articles on the free list?

THE PRESIDENT: I tried to explain it before. It is this: Suppose I am a manufacturer dependent for my raw materials on Canada -- say that it is some kind of metal which is the basis of my particular product. I may want to put an addition on to my factory, but I can never tell today whether or not there is going to be a duty, one way or the other. By putting it on the free list, I know that for three years at least I can proceed with my business on the present basis as to my raw materials.

Q That means that Congress cannot hamper the free list without upsetting the whole agreement?

THE PRESIDENT: That is right.

Q You said that this could be diagnosed after the end of three years. Does that mean that no action can be taken by Congress that would upset this in less than three years? Does it have the status, in other words, of a treaty?

THE PRESIDENT: Only if we did it by mutual consent and there isn't much difficulty in that at the present time. For example, if some great inequity appears in here, under the present friendly relations existing between

the countries, we probably can get an agreement without very much difficulty.

Q For example, one representative of the cream interest said that they would have a bill in the next Congress forbidding the importation of cream from any country where the herds are not examined for tuberculosis or something of that kind.

THE PRESIDENT: We think they examine them in Canada.

Q I was wondering as to the possibility of Congressional sniping at this?

THE PRESIDENT: I suppose that somebody who is concerned about some particular item or other may present a bill -- there may be 50 bills presented.

Q I was wondering whether the three-year provision virtually precluded any action by Congress.

THE PRESIDENT: I don't think we will have any trouble because if any substantial unfairness from the standpoint of either country results, we can get together and rectify it. I don't think Congressional action would be necessary.

Q Referring again to the binding proposition, can you go any further than declaring that as a policy? Can you bind Congress not to take something off the free list and put a duty on it?

THE PRESIDENT: It has the weight of a treaty with another country.

Q The distillers that have testified said that if you would reduce the duty here -- the duty on whiskey -- to two dollars and a half a gallon that that would result in a decrease in retail prices of around ten dollars. Did that enter into the negotiations in any way?

THE PRESIDENT: I don't think so. Of course it depends a little bit. In other words, on this question of liquor prices at the present time, let us say that on whiskey there is a spread in there, because of the exist-

ing tariff, of twenty-one dollars a case on any imported whiskey. That is a spread, in a sense an operating spread primarily for the bootlegger. That is, the bootlegger has a twenty-one dollar advantage a case when he starts off his operations today, and in my own personal opinion this provision is going to do as much as anything else to cut down bootlegging in this country.

Q Can you say approximately how many beef cattle were slaughtered last year on account of the drought?

THE PRESIDENT: There were around 7 or 8 million that would have died on the range and they were brought in on board trains and turned into food.

Q Was the bootlegging aspect entered into in including Scotch and Irish types of whiskies?

THE PRESIDENT: It did not enter into it but that would be a result.

Q The idea or principle involved was to grant reductions to countries where they are principal suppliers?

THE PRESIDENT: Canada is the largest supplier.

Q Under the previous trade agreement thus far negotiated, have we utilized the quota system?

THE PRESIDENT: Yes.

Q Which ones were they?

THE PRESIDENT: Cuba, for example.

Q There is a quota stated here for lumber, fir and hemlock, from Canada. Can that quantity be compared with what the imports were when the lumber was on the free list?

THE PRESIDENT: Somewhere between a third and a half. In other words, the new quota will put it to about a third or a half of what used to be import

Q Are all cattle weighing less than 700 pounds classified as calves?

THE PRESIDENT: No; only under 175 pounds. There is no reduction involved in this agreement.

Q Can you clarify what you said about the Congressional aspect of it? If Congress should adopt a rate on some commodity which was bound by the free list, wouldn't that hold? Would not an Act of Congress hold?

THE PRESIDENT: It would be a violation of the agreement.

Q Then Congress --

THE PRESIDENT: (interposing) Congress gives to the President a great many rights to make certain kinds of agreements with foreign nations, not only in this Act but in a great many prior acts. We have the right to make international agreements relating to all kinds of things without going through a treaty. This falls into that category of agreements between nations. However, where Congress does not give that grant, it has to be carried through in the form of a treaty and ratified by the Senate.

Q The hypothetical question is; Suppose the McCarran Bill had carried, what then would have been the effect?

THE PRESIDENT: It would mean that we could not make any more.

Q It would not affect this treaty?

THE PRESIDENT: No.

Q These rates would stand?

THE PRESIDENT: Yes.

Q The authority to make them ends next year, does it not?

THE PRESIDENT: 1937.

Q Is three years the period on which the other trade agreements with Cuba and Brazil were negotiated?

THE PRESIDENT: I think the same in all of them.

MR. YOUNG: Thank you, Mr. President.

CONFIDENTIAL
Press Conference #251,
Executive Offices of the White House,
November 19, 1935, 4.10 P.M.

MR. DONALDSON: All in.

THE PRESIDENT: I think the only news I have is that the American delegation to the Naval Conference will be Mr. Norman Davis, as chairman, and the Under Secretary of State, Mr. Phillips, and Admiral Standley.

Mr. Phillips will go over with them but come back after a few weeks. The objective is, of course, to give him personal familiarity with the situation in the Conference so that, when he returns here, we will have a more intelligent liaison with the Conference than if we had nobody here who had attended.

I think that is about all there is.

Q When does the delegation sail, Mr. President?

THE PRESIDENT: I don't know. The Conference is for the sixth of December and the chief problem is what kind of boat they can get to get there in time.

Q What technical experts will they take with them, do you know?

THE PRESIDENT: Oh, the usual staff.

Q Did the imposing delegation which Japan is sending have any bearing on the decision to send Phillips?

THE PRESIDENT: Who --

Q (interposing) Japan is sending a large delegation, one of the largest they have ever sent.

THE PRESIDENT: I don't know.

Q Do we have an American program to put before them?

THE PRESIDENT: I do not think there is any news on that. If I were writing the story, I think the American position will be the same as it was in the beginning.

Q That means no change?

THE PRESIDENT: We oppose navies that cost nations more money than they cost --

Q (interposing) A little louder.

THE PRESIDENT: We oppose navies that will cost peoples of the various nations more monies than they cost today.

Q Harry Hopkins told the Mayors today that relief would not end finally on July 1, and that the Federal Government would still keep a hand on the plow, more or less. Does that imply a general change of policy and does that fit in your policy to end the works program some time next summer?

THE PRESIDENT: Whoever said we are going out of relief entirely on the first of July? There are people starving in this country. I have said 365 times that the Federal Government cannot allow them to starve. There is no news in that. Just old Mr. Commonsense.

Q Does it imply that the works program has been projected some time ahead of your program for next July?

THE PRESIDENT: We don't know how many people we can estimate for next July. That will have to be determined between now and the end of January.

Q Anything you can tell us on new developments in China?

THE PRESIDENT: No; I haven't got a thing except what I read in the papers.

Q You mentioned that the position would be to oppose larger navies. The British have made it known publicly, or at least they have let us

know they wanted twenty more cruisers. I wonder how emphatic our opposition to that would be?

THE PRESIDENT: I just stated the general principle. I cannot go into details.

Q What would be the position of Ambassador Bingham with reference to our delegation in the Conference?

THE PRESIDENT: He will be Ambassador to Great Britain, just as he was before. In other words, -- this is just for background -- the situation in Europe is such, as you all know, that the Ambassador to Great Britain ought to be foot-loose over there to attend to the many European problems from his post in London.

Q Mr. President, do you regard the officials of the United States Lines responsible for failure of the shipyards to build new ships?

THE PRESIDENT: No.

Q The London papers are carrying a dispatch from Ottawa that you have accepted the invitation from Premier King to visit Canada?

THE PRESIDENT: Nothing more than I have hoped to do for the last three years, which was some day to go up and see them up there. No date, no promise, just a hope.

Q Some of us have long telegrams from some Chamber of Commerce of Nova Scotia saying you are coming up there to catch fish but we have not been able to check on it at all.

THE PRESIDENT: I hope they are right. It is the first I had heard of it.

Q Mr. President, what have you been hearing from the country on the agreement with Canada?

THE PRESIDENT: I have not heard a thing except what I read in the papers.

Q Mr. President, Italy has threatened to cut off our export trade with her if we refuse to permit her to buy oil here. Can we induce you to comment on that?

THE PRESIDENT: Has she?

Q According to dispatches from Rome.

THE PRESIDENT: Has she? Has the State Department received any protest?

Q I do not believe so.

Q There has been an indication that the Postmaster General is going to resign sometime in January or February. Can you clear us on that?

THE PRESIDENT: (laughing) That is just the same old story.

Q Can you tell us anything about your conference with George Peek?

THE PRESIDENT: We talked about quite a lot of things he is studying for me. He is going to have some reports for me either while I am at Warm Springs or as soon as I get back.

Q Can you tell us what any of them were?

THE PRESIDENT: No.

Q Can you tell us what any of the reports would concern?

THE PRESIDENT: All kinds of things -- foreign trade.

Q You indicated he was making a study of the Canadian Treaty.

THE PRESIDENT: Yes; that and also the effect of the Canadian Treaty on imports from and exports to other nations.

Q Making any progress on the Budget?

THE PRESIDENT: Excellent progress. The old blue pencil is working overtime. Before I leave tomorrow night I have only one more department to finish and then there will be two of them that Dan Bell is bringing down to Warm Springs with him.

I can tell you this too: He will be there Monday and Chairman Buchanan is also coming to Warm Springs from Texas and will get there on Sunday night, and on Monday at Warm Springs we will go over the Budget, as far as we have gone on it, for probably twenty-four or forty-eight hours.

Q Is that the Navy Department, the one you are speaking of?

THE PRESIDENT: Yes, that is the one he is bringing down.

Q You said he would take two departments down there?

THE PRESIDENT: Yes. He will bring down the last two. I have one here and two more down there.

Q Can you tell us which they are?

THE PRESIDENT: Navy. I think one of them is the District of Columbia. I have forgotten what the third is. Ask Dan (Mr. Bell).

Q Do you still expect to be able to cut off the federal dole on December first?

THE PRESIDENT: Substantially. That does not mean 100 per cent but substantially.

Q Is the bonus in this Budget?

THE PRESIDENT: (laughing) Do you need money?

Q I could use money all right. (Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #252,
On the road in front of the cottage
occupied by the newspapermen,
Warm Springs Foundation, Warm Springs, Ga.,
November 22, 1935, 11.10 A.M.

THE PRESIDENT: Isn't this a grand place?

Q Fine.

THE PRESIDENT: Well, I think everything is all quiet.

Q Any visitors today?

THE PRESIDENT: No.

Q None whatsoever?

THE PRESIDENT: No, sir; I don't know a blessed piece of news.

Q Nothing in the offing except Bell (Acting Director, Bureau of the Budget)?

THE PRESIDENT: The only news we have is that the Washington mail leaves about 3.15 in the afternoon and we get the first edition of the Star here at 9.30 the same evening. That is going some, isn't it?

Q Yes.

THE PRESIDENT: This gives you your mail and gets in about half past 9 that night.

Q You spend your evenings reading the Star? (Laughter)

Q You don't get any A.P. stories, do you?

Q That is off the record.

THE PRESIDENT: I guess not.

Q That is for direct quotes.

Q Can't you say "Washington papers," Mr. President?

THE PRESIDENT: Yes. Really I have to find out what Russ (Mr. Young) says the same day.

Q You did not see much yesterday. (Laughter)

Q Have you been out to the farm yet?

THE PRESIDENT: No, I just left the cottage. I have no plans for the day.

Q You know, Mr. President, Russ (Mr. Young) wrote his special No. 27 for Mac (Mr. McIntyre) when he cut that big cheese: "Are we Mice or are we Men?" (Laughter)

Q When is your first visitor, Mr. President, in the morning?

THE PRESIDENT: I do not think I have anybody until Bell and Buchanan get here.

Q Anything in particular you are working on?

THE PRESIDENT: No; not even that. I haven't even got a trunkload of documents. I have one small briefcase.

Q You mentioned the Navy and the District of Columbia?

THE PRESIDENT: You said Commerce -- that might be right.

Q I asked old Dan Roper (Secretary of Commerce) and he said no, that you had finished that.

THE PRESIDENT: I know I have not done Navy; I do not think I have done the District of Columbia.

Q Roper said you were finished with him.

THE PRESIDENT: I have done Post Office; I haven't done Navy; I have done Interior; I have done Agriculture; I have done Labor; I think I have done Commerce -- I know I have done Commerce -- and yet Dan Bell told me there were two left to do.

Q What is that Budget going to amount to, about, for the new year?

(The President laughed.)

Q Mr. President, are you going to ask for an increase in Navy personnel?

THE PRESIDENT: Yes.

Q How much?

THE PRESIDENT: As I remember it, there is a total maximum of 100,000, which means an average of 96,000.

Q During the year?

THE PRESIDENT: During the year.

Q What do you mean by, "average"?

THE PRESIDENT: I mean they will not average more than 96,000 for the year.

Q For that you will have to have 100,000.

THE PRESIDENT: The maximum of 100,000 by the end of a year. And in the Marines it is going up from 16,600 to 17,000.

Q Maximum?

THE PRESIDENT: Yes.

Q That is provided by law?

THE PRESIDENT: No. There is provision made in the Budget for increasing the Navy and the Marine Corps.

Q You said this year's maximum was 96,000?

THE PRESIDENT: Average on this year, yes. I think it was either 94 or 96 thousand.

Q What would that make the average?

THE PRESIDENT: About 4,000 less than the maximum.

Q Always 4,000 less?

THE PRESIDENT: In other words, what it does in effect is to add 4,000 men and that is based almost entirely on the new ships. You see, the one problem we are all laboring under is, on the destroyer and destroyer leaders the increase in the number of men on each ship, in comparison with the old destroyers, is very high. For instance, a new destroyer, instead of carrying 110 men, as the old ones did,

carries nearly 200 men, so when we put an old destroyer out of commission and replace with a new one, it takes more men to man her.

Q Are you going to see those football games tomorrow?

THE PRESIDENT: I have to do my swimming. The only day I am going to miss my swimming is the twenty-ninth.

Q You are going to have plenty of exercise up there then. (Laughter)

Q Anything new on the foreign situation?

THE PRESIDENT: I have not heard anything new.

Q Have you heard anything since you have been here from Secretary Hull?

THE PRESIDENT: No.

Q Getting back to the Navy personnel, what would that be in money?

THE PRESIDENT: Figure it out -- about 900 (dollars) per man. And the same thing with the Marines, about 900 a man.

Q Any increase in the Army?

THE PRESIDENT: No; bringing it up to last year's bill.

Q That was 180,000?

THE PRESIDENT: 160 or 165 -- something like that.

Off the record, I have got quite a lot of data here on lumber cut in the United States but I think we had better hold that until we can sit around and talk it over. We will hold it for whenever we have no news.

Q Is that on the Canadian Treaty?

THE PRESIDENT: No, this relates to the American cut. It has nothing to do with the Canadian Treaty.

Q Are you going to keep that Navy Budget open?

THE PRESIDENT: No.

Q This is independent of what happens over there?

THE PRESIDENT: Yes. In other words, anything having to do with battleships will be held up entirely. All we are doing is carrying out, on construction, the terms of the Authorization Bill last year -- oh, you know -- the Vinson Bill. The Navy increase merely conforms to that authorization of the last Congress. It says nothing about battleships, one way or the other.

Q Gene (referring to Governor Talmadge) said he was coming down to see you.

THE PRESIDENT: I have not heard a word.

Q I saw it in the papers.

Q Yes, he was sorry he could not welcome you.

Q I lost a lot of dough at poker last night but, nevertheless, speaking for myself --

THE PRESIDENT: (interposing) What are you looking for, a chance to get it back from me? Maybe we can arrange it. (Laughter)

Q -- speaking for myself, we are enjoying the place.

Q We have a great improvement in living -- better room and steam heat and a fireplace that works.

THE PRESIDENT: That is great.

Q Any change at your place?

THE PRESIDENT: Same thing as last year.

Q Down at the C.C.C. Camp I learned that you cannot toss on an Army cot; if you do you fall on the floor.

THE PRESIDENT: Better swing a Navy hammock for you.

Q Are you going to put in a Message against the fifth card (referring to the poker game of the previous evening)?

THE PRESIDENT: I will show you how to work it. I will charge you a low

charge, $10. an hour for lessons. (Laughter)

Q How much of an advance do you think we can get on the 29th speech?

THE PRESIDENT: I do not believe until the day before.

Q Get it the day before? That will be fine; we can get a better spot on it; it is handled better.

THE PRESIDENT: What I will try to do is to get the bulk of it by Thursday noon, and then maybe there will be one or two things I will try to stick in at the last moment.

Q Will those things be the lead?

THE PRESIDENT: I will try not to make it the lead.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #253,
On the road in front of the cottage
occupied by the newspapermen,
Warm Springs Foundation, Warm Springs, Ga.,
November 26, 1935, 12.30 P.M.

THE PRESIDENT: How is the game of golf?

Q Bad, as you noticed.

THE PRESIDENT: I saw you (Mr. Smith, of the Atlanta Journal) wrote a nice piece about what good golf they played.

Q It was wonderful and what a good kibitzer you are, too. (Laughter)

THE PRESIDENT: They can't take it; that is the real size of it.

Q That was destructive criticism.

THE PRESIDENT: I think it was.

Q Doc Smithers was the one who could not take it.

THE PRESIDENT: Twice I absolutely ruined him but Roberta (Miss Barrows) -- it helped her game a lot.

Q That was the 250-yard drive she made -- more or less -- not counting the two kicks.

Q There is some talk about a nice holiday for the departments. They want the afternoon of the day before.

THE PRESIDENT: Do they usually have it for Thanksgiving? Have they ever had it Thanksgiving?

Q I do not think you ever gave it to them, sir.

THE PRESIDENT: I don't think so. I hate to break precedent.

Q Have you seen the reports by the American Federation of Labor and the Advisory Council of the Federal Reserve Board on improvement in business conditions?

THE PRESIDENT: I only read the headlines this morning.

Q What did you think of the headlines?

THE PRESIDENT: The paper never stands sponsor for the headlines, so why should I comment on them? That is a good answer, too; a very good one.

Q What are you going to tell us about the Budget?

THE PRESIDENT: We have made very good progress. I did the Navy this morning and there is only the District of Columbia and that is not ready yet.

Q I thought you were preparing to complete the D. C. budget?

THE PRESIDENT: He (Mr. Bell) did not bring it with him.

Q How do you regard Buchanan's idea that by having a dandy fight he could come within $500,000,000. of balancing the Budget?

THE PRESIDENT: He did not tell me that.

Q That is not why he left today?

THE PRESIDENT: We have made some big savings already. We have not taken up the D. C. budget yet but we have saved approximately $400,000,000. over the department estimates.

Q On safety of highways, have you given any thought of forbidding in interstate commerce the shipment of any automobile capable of going over fifty miles an hour?

THE PRESIDENT: I have not heard of it until [James P. ?] Sherman Buchanan suggested it.

Q What is this?

Q Prohibiting the shipment in interstate commerce of any automobile able to run over fifty miles an hour. We have to do something; they are going to kill more people by automobiles than we lost in the World War.

Q It is the slow drivers that are killing them, not speed.

Q Did Buchanan suggest it?

THE PRESIDENT: He said it is something to think about. I asked him whether he thought it was constitutional and he said he had not thought of that side.

Q I think you could do that under the interstate commerce or the welfare clause.

Q There seems to be a pretty well grounded report saying that in the next Budget you can separate relief from public works so that Ickes and Hopkins will be separate.

THE PRESIDENT: That is just a rumor. There is no justification because we have not considered it. All we have been doing is going over the department figures -- nothing else.

Q There has also been a report that on January third you might put in a budget for the regular departments, leaving the emergency budget for later?

THE PRESIDENT: That, I take it, is just another rumor. You can multiply it ad infinitum. There hasn't been a single thing done except to go over the individual items in the departments.

Q You could spike a lot of rumors.

THE PRESIDENT: I am not spiking rumors because, if you once start, you have to spend your entire day spiking them. We have just taken all the items in the department and nothing else, and that is all you will know until the Budget Message goes to the Congress.

Q There is one logical question I have with respect to this saving of $400,000,000. over department estimates: Did the estimates put in by the departments this year approximate the appropriations last year?

THE PRESIDENT: I cannot tell you anything about it because it has not been added up. There again, the only thing that has been done is to take the department estimates this year and see whether and how we could save on the items of the department estimates. I don't see how you can write anything further, that being the fact.

Q I thought there might be an indication from comparative tables.

Q Mr. Ickes said he found a third case of collusive bidding by the four American steel companies and submitted them to you?

THE PRESIDENT: They have not come yet. It would be naturally referred to the Federal Trade Commission with the other cases.

Q What do you hear from the Secretary of State on the big war?

THE PRESIDENT: Nothing. Just what you read in the papers and not everything you read in the papers.

Q Anything in connection with oil?

THE PRESIDENT: Nothing.

Q Have you answered Gene's (Governor Talmadge's) letter of welcome, published yesterday?

THE PRESIDENT: Yes.

Q Will you publish the letter?

THE PRESIDENT: Better get it from him.

Q I am glad of that. I don't like to write about it.

Q Have you started on your Atlanta speech?

THE PRESIDENT: I dictated two pages and tore them up. I did not like them.

Q How long will it run?

THE PRESIDENT: Twenty minutes.

You don't need a story today. There isn't much in this --

an awful lot of figures about lumber imports and lumber cut. If you run shy (of news) next week I can give you some figures.

Q Mr. President, while here have you signed the --

THE PRESIDENT: (interposing) It may have been or it may not; I don't know. Those things come in from various sources. Fifty people have been suggested.

Q Have you signed the commission of David A. Davis to be Judge in the Northern District of Alabama? I have an uncle --

THE PRESIDENT: (interposing) No appointment has been made and probably will not be for some time.

Q How far in advance of Thursday will we be able to get the advance copy of the speech?

THE PRESIDENT: Thursday afternoon sometime, if I can make it. I will give you some parts of it anyway. I may have to fill in in the middle.

Q That middle part --

THE PRESIDENT: (interposing) I will try not to put anything in there that will spoil your lead. It probably will be mostly figures. I won't get some figures until the last moment.

Q You will have a duck party if this weather keeps up.

THE PRESIDENT: Yes.

Q It is a long procession too; it will take you all over the town.

THE PRESIDENT: I saw the map in the Journal.

Q Any new visitors on the list, Mr. President?

THE PRESIDENT: I don't think so.

Q What were you and Mr. Aubrey Williams discussing?

THE PRESIDENT: We haven't. He is coming up at 2.00 o'clock for lunch.

Just general figures on relief.

Q He says you have not given him all his money. He just wants $13,000,000. I did not think that would take lunch, would it? (Laughter)

SECRETARY MORGENTHAU: Just hors d'oeuvres.

THE PRESIDENT: Everything very quiet and next week will be even quieter.

Q Are you going to visit the C.C.C. Camp next week -- I hope?

THE PRESIDENT: Yes.

MR. McINTYRE: This is the afternoon Conference for morning papers.

THE PRESIDENT: The C.C.C. Camps and the Pine Mountain development.

Q I am enjoying better rest (at the C.C.C. Camp) than these boys are.

THE PRESIDENT: (to Mr. Aubrey Williams, who had just arrived) Come in, Aubrey. They say you want 13 millions. Is that right?

MR. WILLIAMS: I don't know about that.

THE PRESIDENT: I will hold you to it.

Q We will keep the Senator (Mr. Russell Young) away from the C.C.C. Camps until you have had a chance at them this year. (Laughter)

Q The Senator (Mr. Young) is giving No. 27 over at the Manchester Kiwanis Club in the basement of the Methodist Church on Tuesday night.

THE PRESIDENT: That ought to be good.

MR. McINTYRE: He has two new chapters in his book and they have not been printed yet and he thought he might send them up and they would be available for your Atlanta speech.

Q Probably save you a lot of worry.

THE PRESIDENT: If you do that, maybe you can get the copy by Thursday morning.

Jimmy (James Roosevelt) arrives tomorrow and Mrs. Roosevelt tomorrow evening.

MR. McINTYRE: Is Jimmy flying down?

THE PRESIDENT: Yes.

Q Your mother is not coming?

THE PRESIDENT: No.

MR. McINTYRE: She will be pleased to know that everybody is disappointed that she is not.

THE PRESIDENT: Right.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #254,
Held on the road in front of the cottage
occupied by the newspapermen,
Warm Springs Foundation, Warm Springs, Ga.,
December 3, 1935, 11.30 A.M.

THE PRESIDENT: Where are they all?

Q Good morning.

THE PRESIDENT: (to the correspondents coming out of the cottage) Sissies; had to stay around the fire. (Laughter)

Q Pardon our dress; we have been out playing a lot of golf.

Q Any news?

THE PRESIDENT: I do not think there is any news at all, except I believe I have your recommendation as a movie director. We will have something to do when we leave the White House. You come with me and have a good job.

Q It would be fine; I would like it.

THE PRESIDENT: Mr. Trohan, won't you say "Yes"?

You ought to have heard Mac (Mr. McIntyre) sing last night. He was good. He does not sing well though.

MR. McINTYRE: When I tried to reach that low note I fell off the chair.

THE PRESIDENT: Yes, that was good.

Q We understand from Washington that the presidency of the Export-Import Bank was offered to Jesse Jones. I do not know whether the morning paper accepted or not.

THE PRESIDENT: I don't know.

Q That means that those banks would go into the R.F.C.?

THE PRESIDENT: Oh, my, no; separate corporations.

Q Jesse isn't going to leave the R.F.C.?

THE PRESIDENT: No; that is in addition to his present duties. It is very much the same kind of work because it really is lending.

Q Stories out of Washington say that some class friend of yours is suggesting that you may go to Philadelphia for the Convention -- that you want to go there personally and attend the Convention.

THE PRESIDENT: I saw it. You will get stories out of every other city in the United States before January. It is all right.

Q Have you any choice in the matter?

THE PRESIDENT: I have not thought about it. I think we had better have it down here on the top of Pine Mountain Valley.

Q You are a candidate for re-election?

THE PRESIDENT: The National Committee will decide where the Convention is to be held and the Convention will decide who is to be the candidate.

Q Why, Mr. Murphy!

THE PRESIDENT: "Mr. Murphy" is right. He was the Tammany leader. He was the sort of person who always has your hand. People would come to him and they would say, "Who is going to be nominated?" and he would say, putting his hand out like that (indicating), "The Convention will decide."

Q The convention was largely held in a back room somewhere -- the real convention, I mean.

THE PRESIDENT: Yes, the real one in those days.

Q Anything on the list for tomorrow?

MR. McINTYRE: You have one or two on the list. The local people are coming on Wednesday at 10.30.

Q There has been some curiosity around the country about this estimate

of 55 to 70 billion dollars. Can you tell us who they are? (The newspaperman was referring to the President's speech in Atlanta on November 29th in which he had referred to bankers who, in the spring of 1933, had told him that the country could safely stand a national debt of between 55 and 70 billion dollars.)

THE PRESIDENT: I have a list and I have letters and I think probably it would be worth while to look up some of the files of the financial journals for the same period.

Q You may have to learn to sing in this next campaign. I came in with a conductor and I told him about the speech and I said, "Gene (Governor Talmadge) is going on the radio" and he said, "Gene is the only jackass in Georgia with a tenor voice. He ought to sing for us." (Laughter)

Q Have you received a specific request to make public the names of the bankers?

THE PRESIDENT: No.

Q Do you have any intention of doing so?

THE PRESIDENT: No.

Q Have you any news for us?

THE PRESIDENT: That's good, Eddie (Mr. Lockett). I do not think there is any at all. I haven't even seen the Sunday papers and today is Tuesday.

Q Mr. President, what do you hear from Washington on the situation abroad?

THE PRESIDENT: I have not heard a peep except what is coming out in the papers.

Q Anything on the oil sanctions?

THE PRESIDENT: No.

Q Any callers on the list today?

THE PRESIDENT: Nothing except what is coming out in the papers and I have not seen them since Saturday afternoon.

Q Could Jesse Jones help us get a list of the bankers?

THE PRESIDENT: I think he knows the names of some of them himself.

Q How about the Chicago speech? When are we going to be able to get an advance on that?

THE PRESIDENT: I have not thought of it at all. I will try to get part of it before we leave. I may have to add some on the train.

Q Are you going to mention the A.A.A.?

THE PRESIDENT: Yes.

Q No politics?

THE PRESIDENT: No. (Laughter) And that will be -- let's see -- that will be the fifth opening gun of the campaign.

Q Practically a salvo.

THE PRESIDENT: No. It started last May. One of the speakers in May was widely heralded as the opening gun of the campaign and each speech since then has been labeled as the opening gun of the campaign. I hope it will get started sometime.

Q You have got lots of ammunition.

Q That is off the record?

THE PRESIDENT: Yes, off the record.

Q What about the speech about joining the church at Notre Dame?

THE PRESIDENT: (laughing) I will tell you what, off the record, you could use. It is an interesting thing. Jim Farley got a degree the other day -- this is off the record, I am just giving you a tip -- he is Irish and he gets a degree from a university in Chattanooga.

I think it is a very, very strong Baptist or Methodist institution. And the following week I go out, an old tested Dutch Reform, and get a degree from Notre Dame. That is a good combination. It shows we are breaking down religious prejudice at last.

Q Oh, no; I still hate the Catholics. (Laughter)

THE PRESIDENT: Who has been taking your money, Stevie (Mr. Stephenson)?

Q That is off the record?

THE PRESIDENT: Yes.

Q What would you write if you were writing a story for the papers?

THE PRESIDENT: I would write that a good time was had by all.

Q Which is true.

THE PRESIDENT: Which is true.

Q Are you going to visit the C.C.C. Camp before you leave?

THE PRESIDENT: Yes.

Q By the way, Walter Trohan is speaking in the basement of the Methodist Church over here in Manchester.

THE PRESIDENT: They are always proselyting; yes?

Q They found out about Notre Dame.

Q We are kept in the basement there.

Q (Mr. Trohan) Sometimes they hang with a rope; I am not going over.

THE PRESIDENT: I really induced them to do that.

Q Thank you, Mr. President.

THE PRESIDENT: I don't think there is any news and won't be for the rest of the week.

Q The golf game will continue this afternoon.

THE PRESIDENT: Those negro songs last night were wonderful.

Q Graham Jackson. They will be here on Friday night for the dance. Will you be there?

THE PRESIDENT: I think so.

Q Is Mrs. Roosevelt going to Chicago?

THE PRESIDENT: No.

Did you write good stories about the project we saw yesterday (referring to Pine Mountain)?

Q Yes, sir.

Q In connection with that being an example of the way counties will have to put out their money, does that apply to other federal undertakings?

THE PRESIDENT: What did you mean? I said that the county was cooperating with the thing. I don't think it is costing Harris County anything much on it -- they haven't much to spend anyway -- but they are showing a real spirit of cooperation. They are tickled to death to get it because it will raise building values in Harris County tremendously.

Q It will get them out of the ditch?

THE PRESIDENT: Yes.

Q The county would furnish the school, would it not?

THE PRESIDENT: Yes. The county, I think, will furnish the school but, on the other hand, the taxes will more than take care of it.

Q They will get a good bit out of the State school appropriation too?

THE PRESIDENT: Yes. In the same way, county taxes will take care of the roads. They will be more than enough -- they will more than pay the county for the additional cost of education and roads.

Q Thank you very much, Mr. President.

(Following the Conference, Ralph Smith of the Atlanta Journal told the President about people who had been standing in the rain, in Atlanta, for hours prior to the time he spoke.)

CONFIDENTIAL
Press Conference #255,
Warm Springs Foundation, Warm Springs, Ga.,
December 6, 1935, 11.00 A.M.

THE PRESIDENT: I did not recognize George (Mr. Durno) without his bonnet.

Q Just the body -- the soul is gone.

THE PRESIDENT: Good morning, Senator. How are you?

Q (Mr. Russell Young) Fine.

Q What time did you go to bed?

Q (Mr. Young) A little after 12.00.

Q Mr. President, any comment on the strike of the utility companies against registering under the very liberal terms of the holding company bill?

THE PRESIDENT: I think we can almost paraphrase the late Mr. Murphy, "The Court will decide."

I do not think there is any news at all except that I am going out at a quarter past 1.00 with various engineers of the C.C.C., the State Park Commission and the National Park people to re-engineer that road we went over the other day.

Q (Mr. Smith of the Atlanta Journal) Good; I think that is a fine movement.

THE PRESIDENT: What they did first -- they thought they wanted the shortest distance between two points so they ran it absolutely straight. It is, in a good many places, just up hill and down dale. It is meant to be a scenic highway, so we are going out and re-engineer it.

Q You had better make a bum job of it because, if it is a success,

you do not want to be called a great engineer with the campaign coming on. (Laughter)

THE PRESIDENT: I don't do the engineering -- I leave that to the engineers. All I say is, "There is a lovely view. I have the aesthetic sense. Can't you possibly swing the road over fifty feet so that I can see the view?"

Q Is Mr. Delano in the party?

THE PRESIDENT: He went back yesterday afternoon.

Q I have been talking to Governor Osborn about a bridge over the Straits of Mackinac.

THE PRESIDENT: I have been learning a little geography from Governor Osborn this morning. I am very much interested in it. You can say that as soon as I get back to Washington I am so much interested in what the Governor said that I am going to start the Army Engineers making a preliminary survey of it.

GOVERNOR CHASE OSBORN: That is fine; that is magnificent. It makes your new part accessible. So we rather think that the Lake Superior fishing and the bridge across the Straits of Mackinac will make you come up there sometime.

THE PRESIDENT: The Governor said that a good part of the year you can get across on an ice breaker.

GOVERNOR OSBORN: In the summer the ferries are so congested that there are delays and great danger of collision.

THE PRESIDENT: Two parts of the same state cut in two.

GOVERNOR OSBORN: Andy Johnson (Jackson?) did that and we want to marry that part of the country.

Q I would like to ask a District of Columbia question: Commissioner

Allen in Washington is going to afford an opportunity for the citizens of Washington to vote in an advisory way on the problems coming up in the District so as to guide the Commissioners on the sentiment in the city. I wonder if you have any news on that at all?

THE PRESIDENT: Not yet. Let me check with Allen when I get back. It is a new one on me.

Q In connection with roads, will you follow out your transportation Message of the last session and request the enactment of legislation for the regulation of all forms of transportation being settled in one Government agency?

THE PRESIDENT: I don't know that we can go any further than we have been talking about already. We have put the busses and trucks under the Interstate Commerce Commission and the question is still open as to whether certain phases of shipping, inland shipping, lake shipping and ocean shipping, both coastwise and foreign, should be, for rate purposes, under the Interstate Commerce Commission. Of course we haven't got it in a bill yet although it has been agreed upon.

Q Regulation of all forms of shipping?

THE PRESIDENT: Of transportation, that is the general thing. Everything that can be coordinated in one body ought to be.

Q What are the prospects?

THE PRESIDENT: Here is a case that would not come under interstate commerce, the lighting of the highways, that being purely an administrative function.

Q Department of Commerce?

THE PRESIDENT: And that, of course, would remain there. That is an illustration of the division of functions, but all regulatory functions of all transportation ought to be in one body.

Q Could you comment on the story that appeared this morning from Washington, from Secretary Hull, which was interpreted as being a warning to the Japanese not to go too far in northern China?

THE PRESIDENT: I had not heard of it. I have not read the papers yet.

Q We ought to get one international story. (Laughter)

Q Senator George yesterday expressed a personal opinion that if the Supreme Court invalidated A.A.A., we were very close to a manufacturers' sales tax. Do you care to comment on that?

THE PRESIDENT: No.

Q How are you getting along with your speech?

THE PRESIDENT: I haven't done a thing on it, not a thing.

Q We have had it practically completed for four days now. Let's have that stricken from the record. (Laughter)

Q The Senator (Mr. Young) is sending up No. 62 this afternoon. (Laughter)

Q In connection with this railroad problem, somebody seems to know what is going on and it seems as though they are adopting the Salt Lake City end of the plan of reducing their fixed charges. Is anything going on within the Administration except for the R.F.C.?

THE PRESIDENT: I think the only thing is that through Eastman's organization and through the Commission itself they are encouraging the railroads to get rid of unprofitable branch lines and to substitute busses for them and to get rid of surplus trackage and switches and things like that. The railroads are trying to

cooperateand are cooperating very, very well with them. I think this past year -- I saw the figures for it the other day -- I think they abandoned over a thousand miles of tracks and only built eighty miles of new track.

Q Speaking of highways around here, are you familiar with this road on the Columbus Highway over the railroad -- that curved bridge? It twists around and dips down.

THE PRESIDENT: This Columbus road is going to be graded some day.

Q It is pretty well graded now except that one place.

THE PRESIDENT: It is on the map. It is a bad place.

Q Will we get the text tomorrow?

THE PRESIDENT: That is only a hope; I don't know. I am going to be out practically all afternoon. I will try to do a preliminary draft this afternoon and evening and get you something before we leave.

Q You are not hoping any more than we are.

MR. McINTYRE: What time are you going to get back from that trip?

THE PRESIDENT: Two hours or more.

MR. McINTYRE: You may get a chance to work on it this afternoon.

Q How about Notre Dame?

THE PRESIDENT: I have to write that speech too. Will you help me?

Q That Notre Dame speech?

THE PRESIDENT: I am going to tell them what transpired in the basement of the Manchester church. "Transpired" is a good word.

(Laughter)

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #256,
Executive Offices of the White House,
December 13, 1935, 10:30 A. M.

THE PRESIDENT: How is everybody? Has the behavior of all who stayed at home been good while we were away?

Q Not exactly.

THE PRESIDENT: I could certify to the character of those who went with us. They were all right. They got a very high mark.

Q We should have a certificate.

Q We acquitted ourselves admirably before the Kiwanis Club at Manchester and we all got a certificate when we got home.

THE PRESIDENT: We are having the speeches put in the Congressional Record.

Q You might give them the idea, too.

MR. DONALDSON: All in.

THE PRESIDENT: I do not think there is any news that you have not heard. To you who stayed behind in Washington I want to report that the Press at Warm Springs made a 100 per cent record. They had a feast of reason and a flow of many speeches which will appear in the Congressional Record shortly.

Otherwise, everything is quiet.

Q Are you speaking of the Senator Young School of Expression? (Laughter)

Q The Post Office Department had a disastrous fire and the local fire chief said that the file room, in which the fire occurred, was one of the worst fire hazards imaginable and he said further that the fire department has no jurisdiction in Government files.

THE PRESIDENT: I think they should. I think it would be a very good

thing if the fire department here were responsible and could make reports on Government buildings, including file rooms.

Q When I asked the guards outside why the White House doors open in, they said they did not know the reason. (Laughter)

THE PRESIDENT: I think we ought to have an investigation made.

Q The District law is that they open out. (Laughter)

THE PRESIDENT: Is it? Is this a public building?

Q It is not a District building.

THE PRESIDENT: I don't think it is even a public building on some occasions.

I do not think there is any news at all.

Q Is it your intention to seek neutrality legislation in relation with the steps which have already been taken to discourage war profits?

THE PRESIDENT: I cannot answer that intelligently yet. We will have to wait about two weeks.

Q Will you make that the subject of a Message to Congress?

THE PRESIDENT: Make what?

Q New and permanent neutrality legislation?

THE PRESIDENT: We have to have something before the first of February, obviously. The old Act runs out. Whether we are going after new neutrality legislation, I don't know. Obviously, we will try to get something before the first of February.

Q Will it involve a Message to Congress?

THE PRESIDENT: I don't know; I have no idea.

Q Will you ask for N.R.A. legislation?

THE PRESIDENT: I haven't the faintest idea. I haven't a report yet.

Q What did you think of Major Berry's conference?

THE PRESIDENT: I do not know enough about it.

Q Would you care to comment on reports from the Philippines that some Filipino leaders believe the Commonwealth should be continued indefinitely?

THE PRESIDENT: Oh, no.

Q On this N.R.A. report, would that come from the Federal Trade Commission? Are they making a study at the present time?

THE PRESIDENT: I do not know, Fred (Mr. Essary). I think they are studying it and various other people are studying it. There are a good many angles and then also, of course, the N.R.A. is reporting to Congress, or a Committee of Congress, I have forgotten which it is. There was a Resolution passed.

Q Mr. President, can you tell us about your talk yesterday with Naval people?

THE PRESIDENT: We spent two solid hours going over the Naval Reserve problem. Where is Ray (Mr. Clapper)? Honestly, we did.

Q How many are in there?

THE PRESIDENT: Much too few. The real question was this: Starting away back in 1913 I have been interested in getting some kind of a Naval Reserve bill up. After the War, in 1920, we had all kinds of paper plans and from that date to this date they remained mostly on paper. The result is we have a wholly inadequate Naval Reserve. What we were discussing was not only a definite effort to put it on paper but to create a Reserve that would be adequate. The general figure we are shooting for is a Naval Reserve of about 150,000 men. That would include, of course, all different kinds of what might be called classes. For instance, there would be the 16 to 20 year men who have served three, four or five enlistments in the Navy. Then there would be

another group that served four or eight or twelve years in the Navy; there would be graduates of the Naval Militias, people from merchant ships, and so forth. It would take a good many years to work it up to 150,000 men. But we do definitely want to make a start.

Q Do you know how many we have now?

THE PRESIDENT: You had better check on that. I think it is -- (interposing)

Q/We were told yesterday, 30,000.

THE PRESIDENT: I think that includes the inactive list too. I don't believe it is as high as that. Twenty-two to twenty-five thousand on the active list.

Q Do they propose a bill to put these men on a regular pay status?

THE PRESIDENT: It would be very much the way the Army handles their Reserves. The same thing for the Marine Corps and Staff Corps.

We also talked over another problem that relates to Staff Corps. For instance, on the medical end, the Army has enrolled most of the big doctors in the country and put them in the Reserve, being able to offer them a rank of Major or Lieutenant Colonel or Colonel. Under our law it has been impossible to get high-class doctors in the Naval Reserve because we can only offer the rank of Senior Lieutenant. So, we want to equalize that. The same thing applies to supply officers and instructors, for example civil engineers.

Q By any chance, did you discuss the London Conference?

THE PRESIDENT: No, not at all. It was not mentioned.

Q Have the business men given you any suggestions as to how to take people off the relief rolls?

THE PRESIDENT: Not yet.

Q Has private industry taken many off?

THE PRESIDENT: I haven't the recent figures. I had the Department of Labor figures about three weeks ago but there will be some more out soon.

Q Mr. President, is there any present intention to extend the neutrality legislation to include raw materials?

THE PRESIDENT: I can't discuss it because Congress has not gotten here yet.

Q The Federal Reserve Board Open Market Committee met and decided to take up its Advisory Council's suggestion that they sell Government bonds. Do you consider that 3 billion reserve of member banks unhealthy?

THE PRESIDENT: That is a little bit too technical to answer offhand.

Q When do you expect to announce the appointment of the new members of the new Federal Reserve Board?

THE PRESIDENT: I won't send their names to the Senate until the middle of January.

Q The dead line is February first?

THE PRESIDENT: Yes.

Q Are you considering speaking before the Ohio State Bar Association?

THE PRESIDENT: I think I was asked and had to say that I could not possibly do it. There is only one possibility of going away from Washington next month and that is still tentative, so I think you had better not write about it -- the dedication of the Theodore Roosevelt Memorial in New York at the Natural History Museum. I laid the cornerstone and they want me to attend the final dedication. It was built by the State.

Q Anything on Budget?

THE PRESIDENT: No; making progress.

Q On that other -- we can't use it?

THE PRESIDENT: No. It is somewhere around the middle of January and I am not

dead sure I can go to it. I am just considering the invitation.

Q That is in New York City?

THE PRESIDENT: Yes.

Q Are you making an appointment of an Ambassador to France sometime soon?

THE PRESIDENT: France? There is no vacancy.

Q No vacancy? (Laughter)

Q One of my editors asked me to ask you that question.

THE PRESIDENT: There isn't any and I hope there won't be any.

Q Do you care to say anything about the developments in the silver market this week?

THE PRESIDENT: You will have to ask the Treasury.

Q Thank you, Mr. President.

CONFIDENTIAL
Press Conference #257,
Executive Offices of the White House,
December 17, 1935, 4.05 P.M.

THE PRESIDENT: How is everybody?

Q Has anybody yet discovered what happened to Norman Thomas?

THE PRESIDENT: I haven't heard yet. There are many rumors afloat.

MR. DONALDSON: All in.

THE PRESIDENT: I don't think there is any news at all. I commend to you the old lines --

"'Twas the night before Christmas, when all through the streets
Not a creature was stirring,"not even the Press.
Let it go at that.

Q Is that Press spelled with one "s" or two? (Laughter)

Q Mr. President, would you care to comment on the fact that the little republic of Finland has made its payment on the war debt?

THE PRESIDENT: Only to express my happiness and appreciation.

Q Mr. President, the W.P.A. hasn't given out any figures showing employment under the relief program, except those of November 15. They have been promising "later in the week" for the last three weeks.

THE PRESIDENT: I don't know any more than you do.

Q You haven't had any details?

THE PRESIDENT: No.

Q Mr. President, the spokesman for the Federal Council of Churches has asserted you were going to take some action to silence the Army and Navy officers for their criticism of the Federal Council of Churches. Can you tell us anything about that?

THE PRESIDENT: No. That's sort of round-about.

Q Mr. President, do you care to make any comment on the Townsend old-age pension plan?

THE PRESIDENT: No, not at this time.

Q Mr. President, will you discuss your plan for financing beyond the fifteen million that is about exhausted?

THE PRESIDENT: It being a very major--I think I have said this before--a very major public work that will cost a very large sum, I feel that there should be some form of Congressional approval. I don't know what sum will be included in the public works bill. That, of course, if it goes through, means Congressional sanction; and if it doesn't go through, it means we cannot go ahead with it.

Q There will be a public works bill?

THE PRESIDENT: Oh, yes.

Q Independent of the ordinary budget?

THE PRESIDENT: There is no budget bill. They are appropriation bills.

Q You mean by that the $500,000,000 proposition?

THE PRESIDENT: Yes. As a matter of fact, it probably won't run as high as $500,000,000.

Q Will there be major projects?

THE PRESIDENT: Yes.

Q Have you received, Mr. President, the Santee-Cooper River Project?

THE PRESIDENT: The last engineering report came in about six months ago.

Q They had a special report.

THE PRESIDENT: There is no reason why that should not be made public. You can get it from the Army Engineers or Interior. It is only about two pages.

Q Do you care to discuss Mr. Hoover's recommendations?

THE PRESIDENT: No.

Q Mr. President, can you tell us what you have in mind for relief through public works in the new Budget?

THE PRESIDENT: Not yet.

Q Would projects like Quoddy take additional money?

THE PRESIDENT: All uncompleted projects.

Q This Gongressional section of the Canal will be a separate bill, will it not?

THE PRESIDENT: Not necessarily.

Q Mr. President, do you care to discuss the continuing decline in the price of silver?

THE PRESIDENT: No, I would have to ask the Treasury.

Q Mr. President, are you disposed to comment on the progress or lack thereof of the London Naval Conference?

THE PRESIDENT: I don't believe I can, Fred, I think it is safer not.

Q Has there been any consideration of that $30,000,000 project in St. Louis?

THE PRESIDENT: I don't know. That is a question tied up with the Attorney General's office. In other words, the Missouri Legislature, I think, created this authority with the authority to contract for the purchase of land up to a certain sum provided the Federal Government matched their share.

Q There were three to one.

THE PRESIDENT: Three to one, whatever it was. We don't have enough funds to obligate for the entire project. We could give them a smaller sum out of W.P.A. to put people to work on the demolition

of the buildings, but we cannot give them the whole sum. The Attorney General holds that we cannot give them any under the present law. Probably that means that we would have to get some kind of authorization bill or resolution through Congress in order to obligate the Federal Government to pay at some later date the balance of our share over and above the amount we give now as work relief.

Q Could that be included in the less than $500,000,000, or would that be a separate bill?

THE PRESIDENT: I told the St. Louis people I would try to get that through the first week of the session.

Q Will housing be included in this new public works bill?

THE PRESIDENT: I don't know.

Q Will this bill contain only specific appropriations or new public works funds?

THE PRESIDENT: Specific appropriations.

Q Chiefly those already under way?

THE PRESIDENT: Chiefly those already under way.

Q That means there will be no new Public Works Administration?

THE PRESIDENT: I didn't say that! (Laughter)

Q Will you continue the double budget system through the next year?

THE PRESIDENT: Continue it?

Q Yes.

THE PRESIDENT: Never have had a separate budget--there has been just one budget.

Q Your relief budget; of course it is all together, but I mean the various allocations. The Treasury has segregated the expenditures--

relief from ordinary expenditures.

THE PRESIDENT: Same way they segregate Army from Navy or anything else.

Q May I ask you this question: What do you think of Mr. Hoover's remarks about your deficit? He says you were $2,200,000,000 short.

THE PRESIDENT: Look it up!

Q I have an easy one, sir. (Laughter.) Any comment you care to make on the Legion program submitted to you today?

THE PRESIDENT: No, Fred.

Q What answer did you give the Governors of Iowa and Nebraska on the project between Council Bluffs and Omaha?

THE PRESIDENT: Told them if their statement was checked up by the Roads Administration, and it didn't cost the Government any more money, and there were no other objections, I thought it was a pretty good idea.

Q Do you care to comment on Mr. Hoover's new style of public speaking? (Laughter.) (No answer.)

Q I have a harder one, Mr. President. Are you disposed to explain your action of approving the allotment of $61,000 to build a new house for elephants at the Zoo in Washington?

THE PRESIDENT: Yes; in the first place, you are too low--it is $61,800. Don't forget the 800. And in the second place, the reason for approving that was it was brought to my attention by the Smithsonian and the Natural History Museum in New York and various scientific and political societies that the elephant is in grave danger of becoming extinct. (Prolonged laughter.) The

same thing happened in the case of the buffalo about thirty or forty years ago, and by the liberal expenditure of Federal funds the buffalo is still in existence as a rather rare and interesting animal. We hope to preserve the elephant in the same capacity for future generations, and therefore we are making this appropriation to be used, first, in the National Capital to which tourists resort from all over the nation, and, secondly, a large part of this money, I understand, will be used not only for an elephant house but also for digging a pit for the elephant! (Laughter.)

Q Mr. President, you are sure you are not trying to make a donkey out of the elephant? (More laughter.)

THE PRESIDENT: No danger of their becoming extinct!

Q That answers very well, sir; thanks!

Q Thank you, Mr. President!

CONFIDENTIAL
Press Conference #258,
Executive Offices of the White House,
Friday, December 20, 1935, 10.37 A.M.

MR EARLY (before members of the Press came in): How about next Tuesday, Mr. President--Christmas Eve?

THE PRESIDENT: That's bad; we will have to shift that, because I will be going to the Park. Probably better shift it to Monday.

MR. DONALDSON: All in.

THE PRESIDENT: It has been suggested that because next Tuesday afternoon is Christmas Eve we ought to shift the Tuesday conference to Monday afternoon, if that is all right with you people, 4.00 o'clock.

We are calling a North American Wildlife Conference February 3 to 7, to be held in Washington, the purpose being to bring together all interested organizations, agencies, and individuals in behalf of restoration and conservation of land, water, forest, and wildlife resources. The conference will be under the direction of a Citizens' Committee which I will appoint under the chairmanship of Mr. Silcox (F. A.), Chief Forester. The governors of the various states, or persons designated by them, will be invited, and in addition every state will be asked to send twice as many delegates as it has Senators and Representatives; so there will be a total of 530 times 2--about 1,060. The delegates from the states will be selected at meetings of the conservation organizations within each state, leaving that up to each state to determine the details of the method. At the general meetings each day--separate meetings of scientists and technicians in each field involved--they will discuss restoration of the rapidly vanishing wildlife of the

continent, which involves also soil erosion, restoration of impounded water, and pollution control; also a better utilization of the public domain, worthless lands, national parks, forests, et cetera. They will adopt a program and make definite recommendations as to methods of closer cooperation between interested groups, individuals, and Government agencies. The final objective is restoration and conservation of national land, forests, and wildlife resources.

Q Is that the result of Ding's agitation?

THE PRESIDENT: Partly the result of the tremendous impetus that he gave to the whole subject.

Q Mr. President, do you plan to ask the representatives of any foreign countries in on that?

THE PRESIDENT: I don't know; I can't answer that definitely. Probably they will seek to have some there from Canada and Mexico.

Q I was wondering, because they call it the North American Conference.

THE PRESIDENT: Yes.

Q Is it to be assumed that you will address this opening meeting?

THE PRESIDENT: I don't think so. We will probably have a small group come in here.

Q Will Mr. Hopkins be in on that? There have been some complaints from Field and Stream and other interested magazines that there was a lack of cooperation between Ding's bureau and Hopkins' organization; that Hopkins' mosquito control section goes into places where it isn't necessary and wipes out a lot of wild fowl food. I wondered if it would be an attempt to get those fellows together.

THE PRESIDENT: I suppose so.

Q Is the Weather Bureau involved in this also?

THE PRESIDENT: Only very, very indirectly.

Q Will they be likely to recommend legislation?

THE PRESIDENT: I doubt it. They already have that. (Pause)

Anybody any further questions?

Q Mr. President, have you any idea how much will be left out of this year's $4,000,000,000 at the end of the fiscal year?

THE PRESIDENT: No, reports to the contrary notwithstanding.

Q Mr. President, are you transferring N.R.A. to the Commerce Department?

THE PRESIDENT: There will be some kind of announcement on that probably in two or three days. The way you have stated it, I couldn't say yes or no, either one.

Q Would you suggest some way I could state it so you could answer?

(Laughter)

THE PRESIDENT: Well, I'll tell you; I'll take pity on you. We are considering it, but we haven't got the final order drafted for the transfer of N.R.A. to two or three departments. In other words, certain functions will go to one and certain functions to another during the remainder of the life of N.R.A.

Q Is Federal Trade one of them?

THE PRESIDENT: The details are not worked out yet, and you will have to wait.

Q Where does George Berry fit into this, if at all?

THE PRESIDENT: He fits in perfectly.

Q Thank you, Mr. President!

CONFIDENTIAL
Press Conference #259,
Executive Offices of the White House,
Monday, December 23, 1935, 4.07 P.M.

MR. DONALDSON: All in.

THE PRESIDENT: I suggest that except for the society columns we put the lid on tomorrow about 12 o'clock,noon, if that is all right with you people, until Thursday morning.

Q Very good, sir!

THE PRESIDENT: I don't think I have any news.

Q Mr. President, have you any comment to make on Governor Pinchot's open letter?

THE PRESIDENT: I haven't got it yet. It may be in my mail.

Q Mr. President, is Mr. Robert L. Johnson, Relief Director in Pennsylvania, going to Europe on a mission for you?

THE PRESIDENT: He is going to Europe, anyway; and he is going to make a report on relief problems in Europe. He is going at his own expense; it won't cost either the State of Pennsylvania or the Federal Government anything.

Q What kind of problems, Mr. President?

THE PRESIDENT: Relief.

Q Mr. President, I have a rather formidable list of questions sent to me by my office for you; there are four of them. The first one is: When is W.P.A. going to take care of the three and one-half million on relief rolls?

THE PRESIDENT: I think the last figures were 3,480,000, or about 20,000 short of the goal. You work that out on a percentage basis and it amounts to a quarter of one percent or an eighth of one

percent. In other words, it is about 99 7/8 percent successful.

Q Here is No. 2: Is the public justified in thinking the Federal Government was committed to taking care of all employables?

THE PRESIDENT: Repeat that.

Q Is the public justified in thinking the Federal Government was committed to taking care of all employables?

THE PRESIDENT: That is sort of a catch question. In other words, it presupposes that there is some ground for supposing that the public has any thought along that line, which I don't think they have. You see the situation is a very simple one: Away back on the 5th of January last year we had to put in some kind of estimate for appropriations, and that estimate was based on figures that showed that there were about--as far as anybody could tell after a pretty careful survey--three and one-half million employables unemployed in the country--employable needy unemployed; and I said that to Congress in just those words. At the same time I estimated it would take four billion dollars. Of course some people will drag in the four billion eight, as is customary with a certain kind of story writers. It was four billion dollars for the care of those three and one-half million people during the fiscal year 1936; and Congress gave us four billion dollars to take care of three and one-half million people.

That is a perfectly clear, simple statement. If there were less than three and one-half million people, obviously we would not spend the four billion dollars; and if there were more than three and one-half million people, obviously we would not have enough money to take care of the additional people.

Congress gave us four billion dollars. With that we could only take care of three and one-half million people in this current fiscal year. Got some more?

Q Yes, sir, two more. This is an "if" one. If the four billion dollars doesn't care for the three and one-half million people, who will be responsible for the rest?

THE PRESIDENT: States, counties, municipalities, and private charity.

Q Have the States and municipalities any responsibility beyond the three and one-half million?

THE PRESIDENT: They have entire responsibility over and above the three and one-half million. Congress said four billion for three and one-half million people, and I have to stick to the money that has been appropriated to me.

Q Mr. President, do you still consider that three and one-half million an accurate estimate, or is it more than that?

THE PRESIDENT: I should say at the present time, taking the country as a whole, it is an accurate estimate, within a very small percentage. Of course, there again you have to look at the picture as a whole. It is not an accurate estimate in some places. It is too high in some places; in other places it is too low.

Q Thank you, sir, that ends my list.

Q Could you tell us what you discussed with Mr. Fleming, of the A.B.A. today?

THE PRESIDENT: Just the general banking situation--that was all.

Q How about the conference with Governor Eccles, Mr. President?

THE PRESIDENT: Same thing.

Q Did you discuss appointments to the new Federal Reserve Board?

THE PRESIDENT: Not yet; going to pretty soon.

Q What do you think of Mr. Fleming's statement to us he was going to hold regional meetings of bankers to take over a good portion of the Government lending agencies? What do you think of that plan?

THE PRESIDENT: It isn't really my child. Isn't that the American Bankers' Association?

Q Yes, sir.

THE PRESIDENT: I cannot properly comment on plans of a wholly private organization.

Q The sponsors of the Florida Ship Canal say they expect another allotment. Do you expect to dig up more money for them before Congress comes in?

THE PRESIDENT: I don't know. Isn't there enough money to keep them going?

Q I think for a few months. The sponsors say there will be another allotment.

THE PRESIDENT: Not that I know of.

Q Have you discussed with the Secretary the P.W.A. application in connection with the Birmingham Industrial Water System?

THE PRESIDENT: No, I didn't.

Q I believe he was to send you a memorandum.

THE PRESIDENT: I don't think I have got one. I don't think I have heard about it the last three or four days. As I understand the situation, there have been various allotments made on other projects, and the only way this could be put through would be to cancel the allotment made for two or three plants, and that is

tied up in the court.

Q Mr. President, how does Major Berry fit in with the new N.R.A. Executive order?

THE PRESIDENT: What do you mean?

Q No mention is made of him at all, and I was wondering why provision was not made.

THE PRESIDENT: He will just continue.

Q Will his personnel come from the N.R.A. payroll?

THE PRESIDENT: I suppose it will come out of the N.R.A. funds just like everybody else.

Q Under the direction of the Department of Commerce?

THE PRESIDENT: Yes, and Labor, et cetera. There would not be any change.

Q Can you give us an idea how much money you have at the present time of the four billion dollars not spoken for?

THE PRESIDENT: It has all been spoken for.

Q Another budget, seven billion, with a billion and a half deficit-- is that it?

THE PRESIDENT: Same comment, which is unprintable; in other words, just another cock-eyed guess. I haven't seen one which is right yet.

Q Mr. President, have you completed your relief budget estimate?

THE PRESIDENT: Oh, no.

Q Will it be submitted with the general budget estimate?

THE PRESIDENT: As far as I know.

Q Mr. President, estimating your budget, the public debt would be $30,725,000,000. Today it is $30,500,000,000.

Do you expect to pass that budget of yours?

THE PRESIDENT: You will have to ask the Treasury. I haven't the faintest idea. I don't know what their financing is. We have an enormous balance on hand at the present time.

Q They carry $2,200,000,000.

THE PRESIDENT: That is very excessive. I have noticed a great many stories which said that all of a sudden, over night last week, the national debt increased $950,000. Put out in that form, it honestly is a plain deception on the American people. In other words, let me put it to you this way:

Suppose you had some expenditures that had to be met, say $10,000, next spring; you knew you had to meet them next spring, but you decided that the market was pretty good to borrow the money at the present time, and you therefore borrowed $10,000 today and put it directly into the bank on deposit. Would it be a fair thing for you to say that you had gone into debt $10,000 over night? That is the answer, and that is the answer to the stories you write about Government financing. In telling half the truth they create not only a wrong impression but they tell something that just isn't true. If you borrow $10,000 and put it in the bank and leave it in the bank, you are no worse off than before you borrowed it; you are neither richer nor poorer. That is just a little homily; I don't suppose it will do much good.

Q You are going on the assumption, then, that you will not have new financing next spring to carry on your financing program. You

have expended $1,600,000,000 of your relief money, according to the Treasury, and then with this balance that you have, plus the income in revenue, you expect to make your original estimate about $30,700,000,000.

THE PRESIDENT: Not far out; but as I say, you better get the figures from the Treasury.

Q Mr. President, what you are going to say over at the community tree-- will you have that in advance?

THE PRESIDENT: Yes, I will get it out by noon.

Q Mr. President, crime is bad enough in this country so that people have to go abroad for protection.

THE PRESIDENT: I hope not!

There is one thing I asked for for my own information, and that is as to what had happened to all of these P.W.A. projects and all the housing projects--what the status was at the present time--the story on housing, not the Federal Housing, but the slum clearance, that is the easier way to put it. There were 50 projects. One of them was out; that is the Louisville project, because it got into court. Another one was held up pending enactment by the City Council of a street vacation ordinance; that left 48, and 48 of the 50 have been definitely committed by the awarding of contracts or the starting of work on a force account basis. That is the record on housing.

Then on the P.W.A. projects the total allocations that went through were $343,000,000. Out of that there were $49,000,000 of projects that were delayed by causes beyond the control of

P.W.A. Those projects were in litigation through no fault of the applicant--that is, the city or municipality or State--42 projects with a total of $49,000,000. Extension of time was granted for one month. This is by December 15, the deadline you were talking about, for 7 projects totaling $5,000,000. The Colorado River project, which is held up because of the irrigation problem, $15,000,000; the Santee-Cooper, which is held up, $225,000; extension of time due to state requirements, 202 projects $8,000,000; projects not yet cleared by the Comptroller General, 93, totaling $6,000,000.

Q How many was that, Mr. President?

THE PRESIDENT: There were 93 projects, $6,000,000, cleared by the Comptroller General on December 13, which were so late that they could not start the thing in the next two days. That was a total of 42 projects with $49,000,000; so we deduct the $49,000,000 from the $343,000,000, leaving an amount available for possible award on December 15 of $293,000,000, contracts awarded or in process; so, actually ready for award, with nothing in the way, $260,000,000, leaving a balance of contracts not awarded, but which will be awarded by January 15, of $34,000,000.

In other words, on this total of $293,000,000 that could have been awarded by December 15, 88 percent was awarded by December 15, which is not bad.

Q Mr. President, speaking of the Colorado River, is that Texas or Colorado?

THE PRESIDENT: That is the one down at the Parker Dam, near Yuma.

Here is another percentage statement: 4,231 different projects, of which the total for possible award was 3,833; actual awards, 2,922, which is 77 percent of the total, and the balance of 33 percent will be awarded by January 15--911 projects.

Q Does that breakdown show how much P.W.A. funds are tied up in the courts?

THE PRESIDENT: They are mostly in the 42 projects delayed by litigation through no fault of the applicant--that is, the state or municipality--$9,169,000, to be accurate.

Q There are a lot of rather difficult figures there; is that matter in such form we could have it, textually?

THE PRESIDENT: Yes, we will have that run off for you.

(Mr. Early spoke privately to the President.)

THE PRESIDENT: Steve makes a suggestion on that question about crime in this country. It didn't occur to me. Please don't mix me up with this very unfortunate Lindbergh case. Call it off the record. It is nothing I can do anything about.

Q Coming back to these figures you just read both of P.W.A. and work relief funds; there seemed to be some old funds in there.

THE PRESIDENT: Out of the $4,000,000,000, yes.

Q Fifty projects the Government has carried on?

THE PRESIDENT: Yes, under P.W.A.

Q It has been estimated that there are more than 11,000,000 unemployed, which is about 7½ million more than 3½ million; do you think that is all cock-eyed?

THE PRESIDENT: Will you define an unemployed person for me?

Q A man who is out of a job.

THE PRESIDENT: What do you do about the little girl back home who is supported by her home and always has been--what they call a part-time school teacher. She works about eight or ten weeks teaching out of the year. Is she employed or not?

Q Before Miss Perkins was Secretary of Labor, she was always complaining that the Hoover Labor Department never showed part-time employment.

THE PRESIDENT: Nobody shows it--no department of the Government. Nobody has been able to define an unemployed person. How about the occasional girl who teaches piano lessons? Is she unemployed? I don't know. How about the roofer who works on roofs? In times of prosperity he did not work more than 150 days a year. What happened the other 200 days of the year? Is he employed? I don't know. Neither does anybody else know.

There are two criteria in regard to unemployed figures; one is the figure we have been talking about, the 3½ million who are needy and can work. That is a perfectly simple fact. The other fact is the Department of Labor fact that shows that in industry--the reporting industries--there are about 5 million more people at work at the present time than there were in the spring of 1933. That is a fact. That doesn't include the non-reporting industries; and I asked Miss Perkins how many more there are in the non-reporting industries, and she says, "I not only won't tell you but can't tell you. We know there are more." And it doesn't include additional people that have found employment on farms. Nobody knows that. It is almost an impossibility to take a census of farm-paid labor. You have that simple factor

of 5 million more people employed in reporting industries than in 1933; and in addition to that there are some more in the non-reporting industries, and more on the farms. What that figure is, the Lord only knows!

Q Is it possible for the Bureau of Statistics to get together and hand out a definition?

THE PRESIDENT: No. If I put it up to this group, you would sit for a month and then you would not agree. And then you could not take a census if you did agree.

Q If the present Federal Reserve Board hesitates to act because they do not want to commit their successors, is there any probability that you may nominate the new Board right after the meeting of Congress?

THE PRESIDENT: Much too "ify"; I don't know.

Merry Christmas, everybody! Won't see you till Friday.

CONFIDENTIAL
Press Conference #260,
Executive Offices of the White House,
Friday, December 27, 1935, 10.35 A.M.

MR. DONALDSON: All in.

THE PRESIDENT: I thought if it was all right with you people we would next week do the same thing as this week -- have the Tuesday conference on Monday afternoon at 4 o'clock, then put the lid on Tuesday at noon over the New Year. There won't be any news. I will be working on the Message to Congress and on the Budget.

I am having two Press Conferences today; I am having representatives of the American Association of Schools and Departments of Journalism and also the American Association of Teachers of Journalism. They are holding a joint conference in Washington, and this conference with me is to be strictly off the record.

They want to talk about press conferences in general. (Laughter)

Q They would!

THE PRESIDENT: They would is right! (Laughter)

I don't think there is any news at all.

Q Mr. President, do you care to comment on Colonel Lindbergh's departure? (No answer.)

Q Mr. President, are you going to deliver your message on January 3 or January 6?

THE PRESIDENT: I have no idea. I haven't talked to any of the leaders about it, except just briefly with Joe Byrnes. I haven't seen Senator Robinson yet.

Q You will take it up in person?

THE PRESIDENT: I don't know.

Q You will have your Press Conference, will you not?

THE PRESIDENT: Oh, yes.

Q Have you discussed with Secretary Ickes the Birmingham Industrial Water System?

THE PRESIDENT: No, I don't think so. Mac, have you talked about it?

MR. McINTYRE: There has been no final decision reached on it yet.

Q Have you received anything from the District Building regarding the credit of Government employees?

THE PRESIDENT: I saw a headline in the paper about it.

MR. McINTYRE: There hasn't anything come up about it.

Q Mr. Robert Boyle was talking to you about a week or so ago; did he discuss the Commodity Exchange Bill?

THE PRESIDENT: That was quite a long while ago, wasn't it? Yes, we did talk about it, but merely with two people sitting around the table trying to iron out the problems of produce exchanges -- just in general terms; we didn't take up the details.

Q Were you considering a method of extending similar control to commodity exchanges to what you have over the security exchanges?

THE PRESIDENT: There are certain things we are discussing now to prevent bad practices. We are talking it over with the produce exchanges.

(Pause)

I don't think there's any news.

Q No New-Year's resolutions? (Laughter)

THE PRESIDENT: Ask the other fellow! (Laughter)

CONFIDENTIAL
Press Conference #260 - A,
Executive Offices of the White House,
December 27, 1935, 10.45 A.M.

(Mr. Early introduced Mr. Frank L. Martin, President of the American Association of Schools and Departments of Journalism, and Mr. Kenneth E. Olsen, President, American Association of Teachers of Journalism. Mr. Martin is Dean of the School of Journalism in the University of Missouri. Mr. Martin and Mr. Olsen were called in ahead of the others.)

THE PRESIDENT: Glad to see you! Mr. Martin, will you and Mr. Olsen come and stand in behind the barrier and protect me? (Laughter) I thought we would treat this group just like any other Press Conference. All right, Gus!

(The main group was ushered in.)

How many of these people coming in are students?

MR. MARTIN: None; they are faculty members, and all of them, I think, have had years of newspaper experience.

THE PRESIDENT: Gather right around, right up to the desk, just like the Press.

MR. DONALDSON: All in, sir!

THE PRESIDENT: I was just telling Dean Martin and Mr. Olsen I thought we would run this just like a regular Press Conference. I asked Dean Martin and Mr. Olsen in here to protect me, the way Steve Early and Marvin McIntyre protect me at the regular Press Conferences. You came in rather slowly and diffidently; the regular Conference come in very fast and noisily and crowd up just as close as they can get.

I am tremendously interested in the schools of journalism in this country. I think they are doing a very fine job. I

understand nearly all of you have had a number of years' experience before taking up your teaching capacities.

Are there any questions you want to ask in regard to Press Conferences or otherwise? Of course, this is off the record -- like the regular Press Conferences! (Laughter)

Q Mr. President, what about the Press Conferences?

THE PRESIDENT: I think it is a grand thing. I got my first training in the old Navy Department days; and we had a Press Conference -- the Secretary or the Acting Secretary -- once or twice a day, which was quite a strain. In connection with that during the war I almost overthrew the French Government. I went in to see Clemenceau one morning at breakfast, and he said, "Oh, you will destroy my government!"

I said, "What happened?"

He replied, "You had a Press Conference yesterday!"

What happened was that the high command decided it was time to get out some publicity about what the American Navy was doing to keep down the U-boats, and I was asked to have a Press Conference with the French reporters. They all came in full dress suits, with white ties! They were not what we would call the reporters of the papers; they were the editors of the papers.

They all came in and I told them what the Navy was doing, and I was quite frank. At the end of it one of them said, "Do members of the Cabinet in the United States receive the Press occasionally?"

I said, "Yes, twice a day."

They were astonished and asked all about it -- what the

procedure was in the departments in Washington -- and I told them quite frankly how it was -- a conference in the morning for the afternoon papers, and an afternoon conference for the morning papers. That same afternoon they went in a mass to see the Premier and demanded the same thing of the French Cabinet. The system would not work over there, but it works all right here.

I think Press Conferences are very helpful. Of course, in Albany I carried on the same system. We had conferences there not always twice a day but sometimes; here we have them twice a week -- on Tuesday afternoon for the morning-paper people, and Friday morning for the afternoon-paper people. They ask all kinds of questions, and it is perfectly simple to avoid telling things that you do not want to have come out. And also I think it is very effective in straightening out a good deal in the way of misconception and lack of understanding that arises because of the infinite variety of new experiences in Washington.

MR. EARLY: You might tell them about the Canadian trade conference and the special conference.

THE PRESIDENT: Oh, yes; and then occasionally we have special conferences, such as when we explain the textbook. The textbook every year is the Budget, and then I have in primarily the people who are going to write the Budget stories, who are either the heads of bureaus here or the people who are interested in the financial picture, and we go over the Budget Message that is to go up to Congress the following day and take it apart. Everybody can ask any question they want about it. Of course, the Budget Message is a terribly difficult thing to write a good story about --

an accurate story about. Of course, as you know, the average of the newspaper profession knows less about dollars and cents -- c-e-n-t-s -- than almost any other profession -- except possibly the clergy. That is the reason for a great many of these perfectly crazy, wild stories that come out of Washington about Government finances, though I am trying all I can to keep the accuracy of these financial stories on a little higher level.

Q Don't you think the conference, as a whole, leads toward accuracy?

THE PRESIDENT: I think so, very much.

Q Do you have any trouble at all with intentional violations?

THE PRESIDENT: Only from a very small percentage of the Press. After all, the people in the newspaper profession, I suppose, have a little higher average of straight-shooting than the profession I belong to -- lawyers! (Laughter) But it isn't a hundred percent. (Laughter) We get our violations from people that belong in the lowest 10 percent. Here is a case, as I say, "just between us girls." Of course you know that in the Gridiron Club it is supposed that ladies are always present and reporters are never present! And it is nearly always maintained. This year the story of what occurred at the Gridiron Club and part of what I said appeared. It wasn't any of the members of the club, and it wasn't the 80 or 90 percent of the straight-shooters. We always run that risk. Taking it by and large, all the off-the-record stuff is exceedingly well handled.

Q You do have to give a certain amount of background material that is "off the record"?

THE PRESIDENT: Yes.

Q Do these correspondents cause you quite a lot of trouble and put you "on the spot"?

THE PRESIDENT: A great deal! Then of course here is another thing: they get a lot of queries sent them from their own desks, and some are perfect fool questions, but they have to present them in order to retain their job. They do not want to. And they may get quite a tart answer from me, but they have to do it. That is one of the great difficulties the average newspaper man labors under in this town -- and any other town -- and that is the orders from the desk. Of course the order from the desk isn't always the fault of the fellow who is running the desk; it nearly always traces back to the man who owns the paper.

Q You haven't found it necessary, as some previous administrations have done, to have the correspondents submit questions in writing?

THE PRESIDENT: No, I take "pot luck" on that; it works out, on the whole, very well and is rather stimulating.

I'll tell you another thing: Of course I know when a question is either a "planted" question or a question that is sent to them from their editors; but taking it by and large, the run of my conference questions usually give me a sense of public opinion -- of how a subject is going to be treated. What they are looking for is perfectly legitimate stories.

A word as to the relative value of news: Sometimes I think a perfectly tremendous matter of very great importance is going to be the subject of the Press Conference, and I get ready. It is obvious to me that that is the news; and when the Conference comes, nobody asks me about it! (Laughter)

Q What is the relationship of your conferences in the White House to other department conferences, if any?

THE PRESIDENT: None at all. I do think the other departments have people that come in to check on what I have said, and then tell the chiefs of their own departments what I have said. Of course there is a type of story which it is almost impossible to control -- and yet I suppose it is because all the departments are readily accessible to the Press and questioning -- and that is the story which is built up by what the chief clerk in the Interior Department says to some newspaper friend; what the Assistant Secretary of Commerce says; what the Third Assistant Secretary of State says, et cetera.

A newspaper man down here will very often say, "I have to write a good story on such and such a policy." He goes around and collects a dab of information here and there and the other place, without any relation. Having got all these dabs of information, he sits down and goes through a process of mental evolution. He says if this is so, that will follow, and something else will follow because there is a little suggestion of it in what somebody has said. The interesting thing is that things built up on that kind of background of information are nearly always wrong. It is not a good way to write a story. It is a case based on a whole lot of individual premises that in most cases do not dovetail in the picture, and it lays us open to criticism. Somebody down the line in a department who thinks there is nobody else in the world, and nothing else in the world as important as what he is doing, gives a scarehead story of how he is being crucified.

He gives it out in confidence.

Again, "just between us girls," there is good old Jay Darling; he has the greatest enthusiasm on the protection of wildlife in the United States -- perfectly fine, a lifelong student of it -- and we persuaded him to give up his cartoon work and come down here. Jay came down, and he couldn't see anything in the Government except birds and animals. It was fine. I loved his enthusiasm, and, incidentally -- and this is a story that has never come out, and you can't use it, because Jay is a good friend of mine -- he slipped over on me the only bill that I know of. I signed it without knowing what was in it. He had a bill that started off as a perfectly fine, simple bill for the extension of wildlife refuges, and it created the machinery to set up wildlife refuges all over the country, but of course no money involved. He brought it over to me, and it looked like a good tie-in with field agencies that had to do with wildlife. I said, "That's fine!" He takes it up to the Hill, and he pushes it; and finally the bill passes and comes down to me. It is quite a long bill, with six or eight pages. I read the first page, and that is just the way the draft had been; I looked over the last page, and that was just the way it was before. I signed the bill. Then I discovered that Jay, up there on the Hill, had tucked in the middle a paragraph appropriating $6,000,000! (Laughter) Talk about an unbalanced budget! (Laughter)

Jay was horrified down here because of government red tape. Oh, of course there is government red tape! Here is the Comptroller General and all the other people that simply create delays of weeks and months sometimes before you can get things through, especially

in a new thing like this wildlife conservation; so good old Jay got terribly upset. The one thing he cared about was birds and beasts. Of course marvelous stories about government red tape came out directly from Ding.

I am enthusiastic about wildlife conservation myself, but there is such a thing as a sense of proportion. I hope he will come back -- not this session, but the next; we are trying to save money this year.

Q If the newspapers desire information between conferences, they can get it from the secretary?

THE PRESIDENT: Yes, Steve is out there in the room next to theirs, and if anything comes up in the middle of a day, they ask Steve about it.

Then, of course there is one thing that is always a little difficult, and that is the people who come to call on me. A great many of them want to get publicity out of the call for themselves. It is perfectly natural, and they come in, and one of two things may happen; we may talk about the weather and glittering generalities and the individual's family and things like that, and then he goes out and announces to the boys outside -- the Press -- that he has taken up such and such a new dam or irrigation system with me (laughter), which is of course immediately telegraphed back to his home district. I didn't say it was a Congressman! (Prolonged laughter) But this applies to other people, besides. And then there is the other fellow who, of course, has come in and talked to me about it.

There is also the fellow who occasionally does misquote. Of

course they are not supposed to quote at all, but that is a thing we have to take a chance on.

Anybody else any questions?

Q I have a question, Mr. President, that I feel rather reluctant to ask. These two associations publish a journal called "The Journalism Quarterly"; would it be possible to obtain a summary of your views in connection with the proceedings of this convention? I know you are probably reluctant to do that.

THE PRESIDENT: All I can do is to turn to Steve Early; and I would like to have you repeat the question, sir.

Q These two associations are publishing a journal, and it occurred to me that the readers would be very much interested in your views on the value of press conferences.

MR. EARLY: I think if it were written indirectly, without quotation, it would be all right.

THE PRESIDENT: Could you work up something like that, using some of these notes, without quotations?

Q Yes, sir; thank you very much.

THE PRESIDENT: I think that would be a perfectly feasible thing.

You have a very great responsibility. There is one problem in journalism, as in the law, medicine, and other professions, which one hesitates always to talk about in any profession; but as you are teaching youngsters I think it is fair to bring it before them, and that is this ethical question: How long should a man stay on the paper and, under orders, in order to retain his job, write things he doesn't believe are true or that he thinks are unfair, personally? As I say, that is not a problem that is

peculiar to journalism; nevertheless, it is a problem, and it has been a problem down here. With a great many newspapers in this country, as you know, the tendency has been in the last, I would say, six or eight years, more than the previous time that I have been in public life, to color news stories. That tendency has been growing, and I think it is a terribly dangerous thing for the future of journalism. For instance, one of the best known newspaper men in Washington came back from a look-see trip around the country, and one of the questions he had asked the garage man and the bell boy and so forth and so on, was, You have heard such and such a thing lately. Do you go on with the idea?

No, I don't believe what I read in the press. There is a growing tendency on the part of the public not to believe what they read in a certain type of newspaper. I think it is not the editorial end, because, as you know, very few people read the editorials. I asked the editor of the Times, "How many people read the editorials in the Times?" He said, "I think more people read the editorials in the Times than any other paper." I said, "I think that probably is true." He said, "I don't believe more than 8 percent of the readers of the Times read the editorials."

Lack of confidence today is not because of the editorials but because of the colored news stories and the failure on the part of some papers to print the news. Very often, as you know, they kill a story if it is contrary to the policy of the owner of the paper. It is not the man at the desk in most cases. It is not the reporter. It goes back to the owner of the paper.

Q You find that particularly true in politics and government.

THE PRESIDENT: And many other things. Not only government but I think a great many other matters, such as crime news.

Q Is there any remedy?

THE PRESIDENT: I don't know enough about it. (Pause) It is good to see you all.

CONFIDENTIAL
Press Conference #261,
Executive Offices of the White House,
December 30, 1935, 4.15 P.M.

THE PRESIDENT: I don't think there is any news. I have been working yesterday and today on two Messages, one the Annual Message and the other the Budget Message. I hope to have them ready in time.

Q Mr. President, have you cut the Public Works appropriation down?

THE PRESIDENT: I'll tell you about that within a few days.

Q Is that in the Budget Message?

THE PRESIDENT: Yes; I thought that would be a good time to present it. I think it is a fair guess, although I haven't talked with Senator Robinson, that the Budget Message will go up on Monday.

Q Mr. President, has your attitude toward paying the bonus changed since you vetoed the payment bill?

THE PRESIDENT: Toward the bonus?

Q Yes.

THE PRESIDENT: Is there a new bill?

Q There probably will be.

THE PRESIDENT: Well, I will have to see what it is. Otherwise it is an "if" question. And if there is a bill, it will still be an "if" question.

Q Will the St. Lawrence treaty come up this time, Mr. President?

THE PRESIDENT: I don't think so.

Q I think when you were Governor you went on record favoring three bridges across the St. Lawrence River.

THE PRESIDENT: I never favored building three bridges. I appointed a commission to determine where there should be a bridge, and there

were three different sites suggested -- one at Alexandria Bay, one at Ogdensburg, and one at another place. The commission reported in favor of the Ogdensburg site. I have forgotten what the amount was -- something around three million dollars -- for the Ogdensburg bridge, provided they were able to supplement that with either a state appropriation or by selling bonds locally. They didn't get very far with it, because the last I heard they were still discussing it with the Canadian authorities, and had not reached any agreement.

Q Now that the treaty has gone through, there is quite a sentiment in favor of the bridge.

THE PRESIDENT: Which treaty?

Q The treaty with Canada.

THE PRESIDENT: I hope they will build a bridge. They need one. The last report I had was that they could not get into agreement with the Canadian authorities.

Q That would be a State bridge, would it, or Federal?

THE PRESIDENT: The idea was it would be a loan-and-grant bridge.

Q Mr. Ickes gave them $350,000.

THE PRESIDENT: It would be part in grant and part in bonds, and then it would be a toll bridge and pay its way out.

Q Mr. President, if you send up the Budget Message on Monday, when would your Annual Message be delivered? Has that been decided?

THE PRESIDENT: No, not yet. If I were writing the story, I would guess this week.

Q What plan have you for New Year's Day?

THE PRESIDENT: I think I will work all day. Tomorrow night the family

will watch the New Year come in.

Q Going to have any conferences with the Congressional leaders on New Year's Day, as last year?

THE PRESIDENT: I have none scheduled.

Q Have you replied to Gifford Pinchot?

THE PRESIDENT: I sent him a personal letter.

Q Did you talk with Senator Harrison this morning?

THE PRESIDENT: He came in to see me.

Q On the matter of the banks?

THE PRESIDENT: Oh, my, no, -- the governor-elect and new speaker of the Mississippi House. We talked about highways.

Q Did I understand you to say you are not going to give out your letter to Governor Pinchot?

THE PRESIDENT: No, I am not going to give it out.

Q Could you tell me what information you requested on Quoddy?

THE PRESIDENT: That is between the Governor and the Legislators.

Q He gave out a letter to each Legislator saying you had requested information as to their attitude on Quoddy.

THE PRESIDENT: I would have to see the letter. I haven't seen it.

Q Have you any observations to make on the year past or the year coming?

THE PRESIDENT: No, I think that will be in the Annual Message and the Budget Message. It will be covered.

Q Happy New Year, sir!

THE PRESIDENT: Happy New Year to all!

Q The lid on?

THE PRESIDENT: Until Thursday morning.

Q Fine! Thank you!